



Palmetto Bay Insurance Group, Inc.
15715 S Dixie Hwy Suite 101
Miami, FL 331571875

HPH095721
H2018

LINDA SCOTT
15451 SW 159TH ST
MIAMI, FL 33187

Please read carefully

**Important Information
Enclosed**

02/01/2017

Heritage Property & Casualty Insurance Company

Invoice

NOTICE OF POLICY RENEWAL AND PREMIUM DUE

Producer: Palmetto Bay Insurance Group, Inc.
 15715 S Dixie Hwy Suite 101
 Miami, FL 331571875

Policy Number: HPH095721
Policyholder: LINDA SCOTT
Policy Effective Date: 03/23/2017
Policy Type: HT3
Property Location: 15451 SW 159TH ST
 MIAMI, FL 33187

Transaction Type: Renewal

Dear Policyholder:

Thank you for choosing Heritage Property & Casualty Insurance Company. Your homeowners insurance is coming up for renewal. There is a premium payment due on the policy shown above. To maintain insurance coverage, you must pay at least the minimum amount shown by the due date that appears in the box below. Since we add service fees for each installment, you can save money by paying the entire amount due.

NOTICE OF PREMIUM DUE

Policy #: HPH095721
Insured: LINDA SCOTT

Agent: H2018

Minimum Due: \$12,054.00
Paid in Full Amount: \$12,054.00
Payment Due Date: 3/3/2017

Detach and return this form with payment

Payment Choices Available

☐ **Full Pay** **Due Date**
\$12054.00 **3/3/2017**

☐ **2 Pay** **Due Date**
\$7256.20 **3/3/2017**
\$4813.80 **09/19/2017**

☐ **4 Pay** **Due Date**
\$4850.80 **3/3/2017**
\$2408.40 **06/21/2017**
\$2408.40 **09/19/2017**
\$2408.40 **12/18/2017**

Make Checks Payable and Mail To:

Heritage Property & Casualty Insurance Company
c/o The Bank of Tampa
PO Box 22007
Tampa, FL 33622-2007

Policy #:
 HPH095721
Insured:
 LINDA SCOTT

HPC RPD 08 13

1000HPH09572101205400012054000201201700000000

Heritage Property and Casualty

Heritage Property and Casualty Insurance

Insurance Company

Company

2600 McCormick Dr., Ste 300

Clearwater, FL 33759

**HERITAGE**
Insurance**Agent Name:** Palmetto Bay Insurance Group, Inc.**Address:** 15715 S Dixie Hwy Suite 101

Miami, FL 331571875

If you have any questions regarding this policy which your agent is unable to answer, please contact us at 1-855-620-9978.

Agent Phone: (305) 969-0060**Agency Code:** H2018**Policy Number:** HPH095721**Insuring Company:** Heritage Property and Casualty Insurance Company**Named Insured:** Linda Scott

2600 McCormick Dr., Ste 300

Mailing Address: 15451 SW 159TH ST
MIAMI, FL 33187

Clearwater, FL 33759

Phone Number: (305) 969-0060**Effective Dates:** From: 03/23/2017 12:01 am To: 3/23/2018 12:01 am**Effective date of this transaction:** 3/23/2017 12:01am**Activity:** Renewal**Co-Applicant****Insured Location:** 15451 Sw 159Th St
Miami, FL 33187
Miami-Dade County*Coverage at the residence premises is provided only where a limit of liability is shown or a premium is stated.***Coverages & Premiums:**

Coverage Section	Limits	Non-Hurricane	Hurricane	Total
A. Dwelling	*561,499	6959.00	8954.00	15913.00
B. Other Structures	11,230	-102.00	-132.00	-234.00
C. Personal Property	140,380	-210.00	-190.00	-400.00
D. Loss of Use	56,150			Included
E. Personal Liability	100,000			Included
F. Medical Payments to Others	2,000			Included
Policy Fee		25.00		25.00
Emergency Management Preparedness and Assistance Trust Fund Fee		2.00		2.00

* Coverage A Increased due to an Inflation Factor

Total of Premium Adjustments:	618.00	(3870.00)	(3252.00)
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SEE PAGE 3 FOR DETAILED DESCRIPTION OF PREMIUM ADJUSTMENTS

Total Policy Premium:	\$12,054
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Deductible:**All Other Perils:** \$2,500**Hurricane Deductible:** 2% = \$11,230**Law and Ordinance:**

Law and Ordinance = \$ 140,375

Special Messages:**THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

If your policy contains replacement cost on dwelling, the amount of coverage will not exceed the stated policy value.

02/01/2017

Ernie Garateix
Authorized Signature

Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement or an application containing false, incomplete or misleading information is guilty of a felony in the third degree.

Forms and Endorsements:	HPC NCPT 02 14 V16A	OC HPC HO-3 07 12	HPC 23 70 07 12
	HPC HO-3 11 13	HPC DO 07 12	HPC 19 07 12
	HPC HO3 SP 09 16	HPC CGCC 07 12	HPC HDR 01 13
	OIR B1 1670 01 06	HO 04 96 04 91	HPCHO3 PPS 08 13C
	OIR B1 1655 02 10	HPC OLN 07 12	HPC 09 IDT 12 13
	HPC SHOJ 02 14	HPC SLC-R 07 12	
	HPC CE 07 12	HPC 24 07 12	
	HPC PRI 02 14	HPC WE 07 12	

Pay Plan:	Number of Payments: 1	Bill to: MORTGAGEE
Rating	Program: HT3	Construction Type: Masonry
Information:	Territory: 034	Year Constructed: 1984
Scheduled Property:	Description:	

LAW AND ORDINANCE COVERAGE IS AN IMPORTANT COVERAGE THAT YOU MAY WISH TO PURCHASE. YOU MAY ALSO NEED TO CONSIDER THE PURCHASE OF FLOOD INSURANCE FROM THE NATIONAL FLOOD INSURANCE PROGRAM. WITHOUT THIS COVERAGE, YOU MAY HAVE UNCOVERED LOSSES. PLEASE DISCUSS THESE COVERAGES WITH YOUR INSURANCE AGENT.

In the event of a claim, please call toll free 1-855-415-7120.

We are available 24 hours a day, 7 days a week.

This replaces all previously issued policy declarations, if any. This policy applies only to accidents, occurrences or losses which happen during the policy period shown above. In case of property loss, only that part of loss over stated deductibles applies. If payment is not received on or before the policy effective date, this policy will no longer be in force. This declaration page together with all policy provisions and any other applicable endorsements completes your policy.

A rate adjustment of 0 % is included to reflect the Building Code Enforcement Grade in your area. Adjustments range from 5 % surcharge to 46 % credit.

A rate adjustment of 54 % credit is included to reflect the Windstorm Mitigation Device Credit. This credit applies only to the wind portion of your premium. Adjustments range from 0 % to 90 %.

On Property Coverage limit increased at renewal due to an inflation factor of 4%, as determined by a national index of construction costs to maintain insurance to the approximate replacement cost of your home.

This policy does not protect you against loss due to flood. Flood insurance is available through the Federal Government. Contact your agent to apply for coverage.

Coverage Section	Limits	Non-Hurricane	Hurricane	Total
Base Rate		1140.00	1387.00	2527.00
Territory		-170.00	-207.00	-377.00
Windstorm Loss Mitigation Credit			-4057.00	-4057.00
Increase Deductibles (NHR/HUR)		-1368.00	-1680.00	-3048.00
Ordinance or Law	140375			Included
Loss Assessment Coverage	1000			Included
Limited Fungi, Wet/Dry Rot, Yeast/Bacteria - Sect. 1	10000			Included
Limited Fungi, Wet/Dry Rot, Yeast/Bacteria - Sect. 2	50000			Included
Identity Theft Coverage	25000	25.00		25.00
Age of Dwelling Factor		991.00	687.00	1678.00

Dollar amount of the premium increase due to rate increase: \$0.00

Dollar amount of the premium increase due to coverage changes: \$1,492.00

Policy Interest:

<u>NAME</u>	<u>ADDRESS</u>	<u>INTEREST TYPE</u>	<u>BILL TO</u>	<u>REFERENCE#</u>
SELECT PORTFOLIO SERVICING	PO BOX 7277	MORTGAGEE	YES	0014888226
INC ISAOA	SPRINGFIELD, OH 45501			

**Heritage Property & Casualty
Insurance Company**

2600 McCormick Dr., Suite 300
Clearwater, FL 33759



NOTICE OF CHANGE IN POLICY TERMS

We are sending you this notice to inform you about important changes to your policy.

A New "Special Provisions – Florida" endorsement is being added to your policy. This amends your policy language regarding several items including, but not limited to, emergency repairs after a loss, coverage related to water damage, and your duties after a loss. It also updates the cancellation and non-renewal provisions of the policy to be consistent with recent legislative changes.

Please read your policy carefully to understand your coverage.



YOU CAN SAVE AS MUCH AS 20% ON YOUR RENEWAL

Insurance costs are going up - here is how you
can SAVE with Heritage

Dear Policyholder,

Heritage is pleased to share cost savings suggestions to reduce the premium on your property insurance policy.

Suggestions include:

- Selecting "Water Damage Limitation" can result in up to a 25% reduction of your non-hurricane premium.
- Increasing your "Deductible" can reduce your premium as much as 8%.
- Selecting other options for "Other Structures" and "Contents" coverage can result in up to a 2% reduction of your premium.

These policy changes can result in an overall reduction of up to 20% of your total Heritage Insurance policy premium.

**CONTACT YOUR AGENT TODAY TO TAKE ADVANTAGE OF
THESE SAVINGS!**

Heritage Property & Casualty Insurance Company
2600 McCormick Drive, Suite 300
Clearwater, FL 33759

HERITAGE PROPERTY & CASUALTY INSURANCE COMPANY HOMEOWNERS 3 - SPECIAL FORM

TABLE OF CONTENTS

GENERAL

Agreement	1
Definitions	1

SECTION I - PROPERTY COVERAGES

Coverage A – Dwelling	3
Property Not Covered	3
Coverage B – Other Structures	4
Property Not Covered	4
Special Limit of Liability Coverages A, B & D	4
Coverage C – Personal Property	4
Special Limits of Liability	5
Property Not Covered	5
Coverage D – Loss of Use	6

ADDITIONAL COVERAGES

Debris Removal	7
Reasonable Repairs	7
Trees, Shrubs and Other Plants	7
Fire Department Service Charge	7
Property Removed	7
Credit Card, Fund Transfer Card, Forgery and Counterfeit Money	7
Loss Assessment	8
Collapse	8
Glass Or Safety Glazing Material	9
Landlord's Furnishings	9
"Fungi," Wet Or Dry Rot, Yeast Or Bacteria	10
Ordinance or Law	11

SECTION I - PERILS INSURED AGAINST

Coverages A & B	12
Coverage C	14

SECTION I - EXCLUSIONS

Ordinance or Law	15
Earth Movement and Settlement	16
Water Damage	16
Power Failure	16
Neglect	16
War	16
Nuclear Hazard	16
Intentional Loss	16
Loss caused by "sinkhole"	16
"Fungi," Wet Or Dry Rot, Yeast Or Bacteria	17

Existing Damage	17
Constant or repeated seepage or leakage	17
Accidental discharge or overflow of water or steam	17
Weather conditions	17
Acts or decisions	17
Faulty, inadequate or defective	17

SECTION I - CONDITIONS

Insurable Interest And Limit of Liability	18
Duties After Loss	18
Loss Settlement	19
Loss To A Pair Or Set	20
Glass Replacement	20
Mediation Or Appraisal	20
Other Insurance And Service Agreement	21
Suit Against Us	21
Our Option	21
Loss Payment	22
Abandonment Of Property	22
Mortgage Clause	22
No Benefit To Bailee	22
Nuclear Hazard Clause	22
Recovered Property	23
Volcanic Eruption Period	23
Adjustment to Property Coverage Limits	23
Deductible	23
Assignment of Claim Benefits	23

SECTION II – LIABILITY COVERAGES

Coverage E – Personal Liability	23
Coverage F – Medical Payments To Others	23

SECTION II – EXCLUSIONS

Coverage E & F	24
Coverage E	25
Coverage F	26
Personal Injury	26

SECTION II – ADDITIONAL COVERAGES

Claim Expenses	27
First Aid Expenses	27
Damage to Property of Others	27
Loss Assessment	27

SECTION II – CONDITIONS

Limit of Liability	28
Severability of Insurance.....	28
Duties After Loss	29
Duties of an Injured Person – Coverage F – Medical Payments to Others	29
Payment of Claim – Coverage F – Medical Payments to Others	29
Suit Against Us	29
Bankruptcy of an Insured.....	29
Other Insurance – Coverage E – Personal Liability	29
Joint Obligations	29

SECTION I AND II – CONDITIONS

Policy Period.....	30
Concealment or Fraud	30
Liberalization Clause	30
Waiver or Change of Policy Provisions	30
Cancellation	30
Nonrenewal.....	31
Assignment.....	32
Subrogation.....	32
Salvage	32
Inspections and Surveys.....	32
Notice	32
Death.....	33
Renewal Notification.....	33

HERITAGE PROPERTY & CASUALTY INSURANCE COMPANY HOMEOWNERS 3 - SPECIAL FORM

AGREEMENT

This policy is issued on behalf of Heritage Property & Casualty Insurance Company and by acceptance of this policy you agree:

1. That the statements in the Application(s) are your representations;
2. That this policy is issued in reliance upon the truth of those representations;

3. That this policy embodies all agreements existing between you and Heritage Property & Casualty Insurance Company relating to this policy.

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

DEFINITIONS

In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
2. "Business" includes trade, profession or occupation.
3. "Catastrophic ground cover collapse" means geological activity that results in all of the following:
 - a. The abrupt collapse of ground cover;
 - b. A depression in the ground cover clearly visible to the naked eye;
 - c. "Structural damage" to the "principal building", including the foundation; and
 - d. The "principal building" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that "principal building".
4. "Fungi" means any type or form of fungus, including:
 - a. Mold or mildew; and
 - b. Any mycotoxins, toxins, spores, scents or byproducts produced or released by fungi.

Under Section II, this does not include any fungi, yeast or bacteria that are, are on or are contained in a good or product intended for consumption.

5. "Insured" means you and residents of your household who are:

- a. Your relatives; or
- b. Other persons under the age of 21 and in the care of any person named above.

Under Section II, "insured" also means:

- c. With respect to watercraft to which this policy applies, any person or organization legally responsible for watercraft which are owned by you or any person included in 5.a. or 5.b. above.

A person or organization using or having custody of the watercraft in the course of any "business" or without consent of the owner is not an "insured";

- d. With respect to any vehicle to which this policy applies:

- (1) Persons while engaged in your employ or that of any person included in 5.a. or 5.b. above; or
- (2) Other persons using the vehicle on an "insured location" with your consent.

6. "Insured location" means:

- a. The "residence premises";
- b. The part of other premises, other structures and grounds used by you as a residence and:
 - (1) Which is shown in the Declarations as "Location of Residence Premises"; or
 - (2) Which is acquired by you during the policy period for your use as a residence;
- c. Any premises used by you in connection with a premises in 6.a. and 6.b. above;

- d. Any part of a premises:
 - (1) Not owned by an "insured"; and
 - (2) Where an "insured" is temporarily residing;
 - e. Vacant land, other than farm land, owned by or rented to an "insured";
 - f. Land owned by or rented to an "insured" on which a one or two family dwelling is being built as a residence for an "insured";
 - g. Individual or family cemetery plots or burial vaults of an "insured"; or
 - h. Any part of a premises occasionally rented to an "insured" for other than "business" use.
7. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
- a. "Bodily injury"; or
 - b. "Property damage."
8. "Personal injury" means:
- Injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication of material that violates a person's right of privacy.
9. "Personal watercraft" means a watercraft designed to carry one to four people, propelled by a water jet pump, powered by an internal combustion engine. Personal watercraft include, but are not limited to, watercraft referred to as jet ski, wave runner, wave blaster, water scooter, seabreacher, dolphin boat and similar watercraft.
10. "Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
11. "Primary structural system" means an assemblage of "primary structural members."
12. "Principal building" means that part of your dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling as described under Section I – Coverage **A**.
- However, "principal building" does not include:
- a. Appurtenant structures, driveways, sidewalks, walkways, decks, patios, pools, spas, or fences, unless such structures are part of the "principal building's" foundation or under the "principal building's" roofline;
 - b. Buildings or other structures covered under Coverage **B**;
 - c. Buildings, structures and other property excluded or not covered in your policy;
 - d. That part of other premises, other buildings, structures and grounds not located at the "residence premises."
 - e. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair any property other than the "principal building" on the "residence premises."
13. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.
14. "Residence employee" means:
- a. An employee of an "insured" whose duties are related to the maintenance or use of the "residence premises," including household or domestic services; or
 - b. One who performs similar duties elsewhere not related to the "business" of an "insured."
15. "Residence premises" means:
- a. The one family dwelling, other structures, and grounds; or
 - b. That part of any other building;

where you reside and which is shown as the "Location of Residence Premises" in the Declarations.

"Residence premises" also means a two family dwelling where you reside in at least one of the family units and which is shown as the "Location of Residence Premises" in the Declarations.

16. "Structural damage" means a "principal building," regardless of the date of its construction, has experienced the following:

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represents a safety hazard as defined within the Florida Building Code;
- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the "primary structural members" or "primary structural systems" that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceeds one and one-third the nominal strength allowed under the

Florida Building Code for new buildings of similar structure, purpose, or location;

- c. Damage that results in listing, leaning or buckling of the exterior load bearing walls or other vertical "primary structural members" to an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing "primary structural members or "primary structural systems," being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as "substantial structural damage" as defined in the Florida Building Code.
17. "Unoccupied" means the dwelling is not being inhabited as a residence.
18. "Vacant" means the dwelling lacks the necessary amenities, adequate furnishings, or utilities and services to permit occupancy as a residence.

SECTION I - PROPERTY COVERAGES

COVERAGE A – Dwelling

We cover:

1. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises."

This coverage does not apply to land, including land on which the dwelling is located.

This coverage is limited to the "principal building" for the peril of "catastrophic ground cover collapse."

Property Not Covered.

We do not cover:

1. Any structure enclosed by screens on more than one side, constructed to be open to the weather, and not constructed of and covered by the same or substantially the same materials as that of the primary dwelling;
2. Carports, open sided porches that have a roof covering, and patios that have a roof covering, not constructed of and covered by the same or substantially the same materials as that of the primary dwelling;

3. Awnings, aluminum carports, and aluminum framed screened enclosures;
4. Any structure or attachment where that structure's roof coverings or exterior wall coverings are of thatch, lattice, slats, or similar material; and
5. Slat houses, chickees, tiki huts, gazebos, cabanas, canopies, pergolas, or similar structures, constructed to be open to the weather.

COVERAGE B – Other Structures

We cover other structures on the “residence premises” set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection.

This coverage does not apply to land, including land on which the other structures are located.

This coverage does not apply to loss or damage resulting from the peril of “catastrophic ground cover collapse.”

We do not cover other structures:

1. Used in whole or in part for “business”; or
2. Rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

The limit of liability for this coverage is shown in your Declarations. Use of this coverage does not reduce the Coverage A limit of liability.

Property Not Covered.

We do not cover:

1. Any structure enclosed by screens on more than one side, constructed to be open to the weather, and not constructed of and covered by the same or substantially the same materials as that of the primary dwelling;
2. Carports, open sided porches that have a roof covering, and patios that have a roof covering, not constructed of and covered by the same or substantially the same materials as that of the primary dwelling;
3. Awnings, aluminum carports, and aluminum framed screened enclosures;
4. Any structure or attachment where that structure's roof coverings or exterior wall coverings are of thatch, lattice, slats, or similar material; and

5. Slat houses, chickees, tiki huts, gazebos, cabanas, canopies, pergolas, or similar structures, constructed to be open to the weather.

COVERAGE A – Dwelling, COVERAGE B – Other Structures and COVERAGE D – Loss of Use

Special Limit of Liability

1. The total limit of liability for Coverages A, B and D combined is \$10,000 per policy period for cosmetic or aesthetic damages to floors.
 - a. Cosmetic or aesthetic damages includes, but is not limited to, chips, scratches, dents, or any other damage that covers less than 5% of the total floor surface area of the building and does not prevent typical use of the floor.
 - b. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the damaged flooring.
 - c. Unless otherwise excluded, \$10,000 is the most we will pay for the total of all loss or costs payable, including Loss of Use under this Special Limit of Liability regardless of the:
 - (1) Number of locations insured;
 - (2) Number of occurrences or claims made; or
 - (3) Number of “insureds.”
 - d. This coverage does not increase the limit of liability applying to Coverages A, B and D.
 - e. This limit does not apply to cosmetic or aesthetic damage to floors caused by a Peril Insured Against as named and described under coverage C – Personal Property.

COVERAGE C – Personal Property

We cover personal property owned or used by an “insured” while it is anywhere in the world. At your request, we will cover personal property owned by:

1. Others while the property is on the part of the “residence premises” occupied by an “insured”;
2. A guest or a “residence employee,” while the property is in any residence occupied by an “insured.”

Our limit of liability for personal property usually located at an “insured’s” residence, other than the “residence premises,” is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater.

Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time you begin to move the property there.

The paragraphs above do not apply to personal property when the limit of liability for Coverage C shown in your Declarations is \$0.

Special Limits of Liability.

These limits do not increase the Coverage C limit of liability. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins and medals.
2. \$1,000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, personal records, passports, tickets, stamps, trading cards, and comic books.

This dollar limit applies to these categories regardless of the medium (such as paper or computer software) on which the material exists.

3. \$1,000 on watercraft other than "personal watercraft", including their trailers, furnishings, equipment and outboard engines or motors.
4. \$1,000 on trailers not used with watercraft.
5. \$1,000 on jewelry, watches, furs, precious and semi-precious stones.
6. \$2,000 on firearms.
7. \$2,500 on silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
8. \$2,500 on property, on the "residence premises," used at any time or in any manner for any "business" purpose.
9. \$250 on property, away from the "residence premises," used at any time or in any manner for any "business" purpose. However, this limit does not apply to loss to adaptable electronic apparatus as described in Special Limits 10. and 11. below.
10. \$1,000 for loss to electronic apparatus (for the covered perils except theft, which is hereby excluded from coverage), while in or upon a

motor vehicle or other motorized land conveyance; if the electronic apparatus is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this Item 10.

11. \$1,000 for loss to electronic apparatus (for all covered perils except theft, which is hereby excluded from coverage), while not in or upon motor vehicle or other motorized land conveyance; if the electronic apparatus:

- a. Is equipped to be operated by power from the electrical system of the vehicle or conveyance while retaining its capability of being operated by other sources of power;
- b. Is away from the "residence premises"; and
- c. Is used at any time or in any manner for any "business" purposes.

Electronic apparatus includes:

- a. Accessories and antennas; or
- b. Tapes, wires, records, discs or other media; for use with any electronic apparatus described in this item 11.

12. \$500 is the maximum loss payable for covered property stored in freezers or refrigerators on the "residence premises."

Property Not Covered.

We do not cover:

1. Articles separately described and specifically insured in this or other insurance;
2. Animals, birds or fish;
3. Motor vehicles or all other motorized land conveyances. This includes:
 - a. Their equipment and accessories; or
 - b. Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of:
 - (1) Motor vehicles; or
 - (2) All other motorized land conveyances.

Electronic apparatus includes:

- (1) Accessories and antennas; or
- (2) Tapes, wires, records, discs or other media;

for use with any electronic apparatus described in this item 3.b.

The exclusion of property described in 3.a. and 3.b. above applies only while the property is in or upon the vehicle or conveyance.

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

- a. Located on the "residence premises" and used solely to service an "insured's" residence;
 - b. A motorized golf cart located on the "residence premises" or while being operated to or from, or on the premises of a golf course;
 - c. Designed for assisting the handicapped.
4. Aircraft and parts.
- Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
5. Property of roomers, boarders and other tenants, except property of roomers and boarders related to an "insured";
 6. Property in an apartment regularly rented or held for rental to others by an "insured," except as provided in Additional Coverages 10.;
 7. Property rented or held for rental to others off the "residence premises";
 8. "Business" data, including such data stored in:
 - a. Books of account, drawings or other paper records; or
 - b. Electronic data processing tapes, wires, records, discs or other software media;

However, we do cover the cost of blank recording or storage media, and of pre-recorded computer programs available on the retail market;
 9. Credit cards or fund transfer cards except as provided in Additional Coverages 6.; or
 10. Personal property stored in freezers or refrigerators located off the "residence premises."
 11. "Personal watercraft."

COVERAGE D – Loss of Use

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. If a loss covered under Section I – Property Coverages makes that part of the "residence premises" where you reside not fit to live in, we cover the Additional Living Expense, meaning:

Any necessary increase in living expenses incurred by you so that your household can maintain its normal standard of living.

Payment will be for the shortest time required to:

- a. Repair or replace the damage; or
- b. If you permanently relocate, the shortest time required for your household to settle elsewhere.

In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

2. If a loss covered under Section I – Property Coverages makes that part of the "residence premises" rented to others or held for rental by you not fit to live in, we cover the Fair Rental Value, meaning:

The fair rental value of that part of the "residence premises" rented to others or held for rental by you less any expenses that do not continue while the premises is not fit to live in.

Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental.

In either event, the payment(s) will be limited to 24 consecutive months from the date of the covered loss.

3. If a civil authority prohibits you from use of the "residence premises" as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, we cover the Additional Living Expense and Fair Rental Value loss as provided under 1. and 2. above for no more than 2 weeks.

The periods of time under 1., 2. and 3. above are not limited by expiration of this policy.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. Debris Removal.

We will pay your reasonable expense you incur for the removal of:

- a. Debris of covered property if a Peril Insured Against that applies to the damaged property causes the loss; or
- b. Ash, dust or particles from a volcanic eruption that has caused direct loss to a building or property contained in a building.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of that limit of liability is available for debris removal expense.

We will also pay your reasonable expense, up to \$500, for the removal from the "residence premises" of:

- a. Your tree(s) felled by the peril of Windstorm or Hail;
- b. Your tree(s) felled by the peril of Weight of Ice, Snow or Sleet; or
- c. A neighbor's tree(s) felled by a Peril Insured Against under Coverage C;

provided the tree(s) damages a covered structure.

The \$500 limit is the most we will pay in any one loss regardless of the number of fallen trees.

2. Reasonable Repairs.

In the event that covered property is damaged by an applicable Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by an applicable Peril Insured Against.

This coverage:

- a. Does not increase the limit of liability that applies to the covered property;

- b. Does not relieve you of your duties, in case of a loss to covered property, as set forth in Section I – Condition 2.d.

3. Trees, Shrubs and Other Plants.

We cover trees, shrubs, plants or lawns, on the "residence premises," for loss caused by the following Perils Insured Against:

Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the "residence premises," Vandalism or malicious mischief or Theft.

We will pay up to 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants or lawns. No more than \$500 of this limit will be available for any one tree, shrub or plant.

We do not cover property grown for "business" purposes.

This coverage is additional insurance.

4. Fire Department Service Charge.

We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

This coverage is additional insurance.

No deductible applies to this coverage.

5. Property Removed.

We insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 days while removed. This coverage does not change the limit of liability that applies to the property being removed.

6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money.

We will pay up to \$500 for:

- a. The legal obligation of an "insured" to pay because of the theft or unauthorized use of

credit cards issued to or registered in an "insured's" name;

- b. Loss resulting from theft or unauthorized use of a fund transfer card used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
- c. Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- d. Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of a credit card or fund transfer card:

- a. By a resident of your household;
- b. By a person who has been entrusted with either type of card; or
- c. If an "insured" has not complied with all terms and conditions under which the cards are issued.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

We do not cover loss arising out of "business" use or dishonesty of an "insured."

This coverage is additional insurance.

No deductible applies to this coverage.

Defense:

- a. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- b. If a suit is brought against an "insured" for liability under the Credit Card or Fund Transfer Card coverage, we will provide a defense at our expense by counsel of our choice.
- c. We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under the Forgery coverage.

7. Loss Assessment.

We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of a direct loss to the property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage **A** – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

The limit of \$1,000 is the most we will pay with respect to any one loss, regardless of the number of assessments.

Condition 1. Policy Period, under Sections **I** and **II** Conditions, does not apply to this coverage.

8. Collapse.

We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- a. Perils Insured Against in Coverage **C** – Personal Property;
- b. Decay in the building, that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
- c. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
- d. Weight of contents, equipment, animals or people;
- e. Weight of rain which collects on a roof; or
- f. Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall,

bulkhead, pier, wharf, dock, cisterns or similar structures is not included under items b., c., d., e. and f. above; unless the loss is a direct result of the collapse of a building.

Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or any part of the building cannot be occupied for its intended purpose.

A building or any part of a building is not considered in a state of collapse, and therefore is not covered, if a building or any part of the building is:

- a. In danger of falling down or caving in;
- b. Standing even if it has separated from another part of the building; or
- c. Standing even if it shows evidence of settling, cracking, shifting, bulging, racking, sagging, bowing, bending, leaning, shrinkage or expansion.

This coverage does not increase the limit of liability applying to the damaged covered property.

9. **Glass or Safety Glazing Material.**

- a. We cover:
 - (1) The breakage of glass or safety glazing material which is part of a covered building, storm door or storm window; and
 - (2) The breakage caused directly by Earth Movement and Settlement, of glass or safety glazing material which is a part of a covered building, storm door or storm window; and
 - (3) The direct physical loss to covered property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building, storm door or storm window.
- b. This coverage does not include loss:
 - (1) To covered property which results because the glass or safety glazing material has been broken; except as provided in a.(3) above; or
 - (2) On the "residence premises" if the dwelling has been vacant for more than 30 consecutive days immediately before

the loss, except when the breakage results directly from Earth Movement and Settlement as provided for in a.(2) above.

A dwelling being constructed is not considered vacant.

Loss to glass covered under this Additional Coverage 9. will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

This coverage does not increase the limit of liability that applies to the damaged property.

10. **Landlord's Furnishings.**

We will pay up to \$2,500 for your appliances, carpeting and other household furnishings, in an apartment on the "residence premises" regularly rented or held for rental to others by an "insured," for loss caused only by the following Perils Insured Against:

- a. **Fire or lightning.**
- b. **Windstorm or hail.**

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail first damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.
- c. **Explosion.**
- d. **Riot or civil commotion.**
- e. **Aircraft**, including self-propelled missiles and spacecraft.
- f. **Vehicles.**
- g. **Smoke**, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.
- h. **Vandalism or malicious mischief.**
- i. **Falling objects.**

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

- j. **Weight of ice, snow or sleet** which causes damage to property contained in a building.
- k. **Accidental discharge or overflow of water or steam** from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in the peril of freezing below;
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises."
- (4) Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor which occurs over a period of time, whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion; or
- (5) Otherwise excluded.

In this peril, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

- l. **Sudden and accidental tearing apart, cracking, burning or bulging** of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

- m. **Freezing** of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the "residence premises" while the dwelling is

"vacant" or "unoccupied," unless you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain the system and appliances of water.

- n. **Sudden and accidental damage from artificially generated electrical current.**

This peril does not include loss to a tube, transistor or similar electronic component.

- o. **Volcanic eruption** other than loss caused by earthquake, land shock waves or tremors.

The \$2,500 limit is the most we will pay in any one loss regardless of the number of appliances, carpeting or other household furnishings involved in the loss.

11. "Fungi," Wet Or Dry Rot, Yeast Or Bacteria.

- a. We will pay up to \$10,000 for:
 - (1) The total of all loss payable under Section I – Property Coverages caused by "fungi," wet or dry rot, yeast or bacteria;
 - (2) The cost to remove "fungi," wet or dry rot, yeast or bacteria from property covered under Section I – Property Coverages;
 - (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi," wet or dry rot, yeast or bacteria; and
 - (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi," wet or dry rot, yeast or bacteria; whether performed prior to, during or after removal, repair, restoration or replacement.

The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi," wet or dry rot, yeast or bacteria.
- b. The coverage described in a. only applies:
 - (1) When such loss or costs are a result of a Peril Insured Against that occurs during the policy period; and
 - (2) Only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.

- c. \$10,000 is the most we will pay for the total of all loss or costs payable, including Loss of Use under this Additional Coverage regardless of the:
 - (1) Number of locations insured; or
 - (2) Number of occurrences or claims made; or
 - (3) Number of insureds.
- d. If there is covered loss or damage to covered property, not caused, in whole or in part, by "fungi," wet or dry rot, yeast or bacteria; loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi," wet or dry rot, yeast or bacteria causes an increase in the loss or any Loss of Use.

Any such increase in the loss or Loss of Use will be subject to the terms of this Additional Coverage.

This coverage does not increase the limit of liability applying to the damaged covered property.

12. Ordinance or Law.

- a. You may use up to 25% of the limit of liability that applies to Coverage **A** for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
 - (1) The construction, demolition, remodeling, renovation or repair of that part of a building covered under Coverage **A** damaged by a Peril Insured Against; or
 - (2) The demolition and reconstruction of the undamaged part of a building covered under Coverage **A**, when that building must be totally demolished because of damage by a Peril Insured Against to another part of that covered building; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a building covered under Coverage **A** necessary to complete the remodeling, repair or replacement of that part of the covered building damaged by a Peril Insured Against.

- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from:
 - (1) The construction;
 - (2) Demolition;
 - (3) Remodeling;
 - (4) Renovation;
 - (5) Repair; or
 - (6) Replacement of property as stated in a. above.
 - c. We do not cover:
 - (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
 - (2) The costs to comply with any ordinance or law which requires any "insured" or others to:
 - (a) Test for;
 - (b) Monitor;
 - (c) Clean up;
 - (d) Remove;
 - (e) Contain;
 - (f) Treat;
 - (g) Detoxify;
 - (h) Neutralize; or
 - (i) In any way respond to, or assess the effects of pollutants in or on any covered building or other structure.
- Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including:
- (a) Smoke;
 - (b) Vapor;
 - (c) Soot;
 - (d) Fumes;
 - (e) Acids;
 - (f) Alkalis;
 - (g) Chemicals; and
 - (h) Waste.
- Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

SECTION I - PERILS INSURED AGAINST

**COVERAGE A – DWELLING and
COVERAGE B – OTHER STRUCTURES**

We insure against risk of direct loss to property described in Coverages **A** and **B** only if that loss is a physical loss to property.

This includes the peril of “catastrophic ground cover collapse” as provided in Part A. below.

We do not insure, however, for loss:

- a. Involving collapse, other than as provided in Additional Coverage 8.;
- b. Caused by:

- a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing.

This exclusion applies only while the dwelling is vacant, “unoccupied” or being constructed unless you have used reasonable care to:

- (1) Maintain heat in the building; or
 - (2) Shut off the water supply and drain the system and appliances of water;

- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

- (1) Fence, pavement, patio or swimming pool;
 - (2) Foundation, retaining wall or bulkhead; or
 - (3) Pier, wharf or dock;

- c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

- d. Theft or attempted theft in or to a dwelling if the dwelling has been “vacant” for more than 30 consecutive days immediately before the loss;

- e. Vandalism and malicious mischief if the dwelling has been vacant for more than 30 consecutive days immediately before the

loss. A dwelling being constructed is not considered vacant;

- f. Accidental discharge or overflow of water or steam;

Unless loss to property covered under Coverage **A** or **B** results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the “residence premises.”

Loss to property covered under Coverage **A** or **B** that results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the “residence premises” includes the cost to tear out and replace any part of a building or other structure, on the “residence premises,” but only when necessary to repair the system or appliance.

However, we do not cover:

- (1) Loss to the system or appliance from which this water or steam escaped;
 - (2) Loss on the “residence premises” caused by accidental discharge or overflow which occurs off the “residence premises”;
 - (3) Loss caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor which occurs over a period of time, whether hidden or not and results in damage such as wet or dry rot, “fungi,” deterioration, rust, decay or other corrosion; or
 - (4) Loss otherwise excluded.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

- g. Dropped objects to the interior of a building, property contained in a building, or flooring located outside of a building, unless the roof or an outside wall of the building is first damaged by a dropped object.

Damage to the dropped object itself is not covered.

- h. Rain, snow, sleet, sand or dust to the interior of a building unless a covered peril first damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

- i. Any of the following:

- (1) Wear and tear, marring, deterioration;
- (2) Inherent vice, latent defect, defect or mechanical breakdown;
- (3) Smog, rust, decay or other corrosion;
- (4) Smoke from agricultural smudging or industrial operations;
- (5) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this policy.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including:

- (a) Smoke;
- (b) Vapor;
- (c) Soot;
- (d) Fumes;
- (e) Acids;
- (f) Alkalis;
- (g) Chemicals; and
- (h) Waste.

Waste includes materials to be recycled, reconditioned or reclaimed;

- (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings; or
- (7) Birds, vermin, rodents, marsupials, animals, reptiles, fish, insects, or pests, including but not limited to, termites,

snails, raccoons, opossums, armadillos, flies, bed bugs, lice, ticks, locust, cockroaches, and fleas.

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

- c. Excluded under Section I – Exclusions.

Under items 1. and 2., any ensuing loss to property described in Coverages A and B not excluded or otherwise excepted in this policy is covered.

Part A.

Catastrophic Ground Cover Collapse

- a. We insure for direct physical loss to the “principal building” under Coverage A caused by the peril of “catastrophic ground cover collapse.”

Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a “catastrophic ground cover collapse.”

- b. Direct physical loss from “catastrophic ground cover collapse” does not apply to the costs to repair the depression or hole, or to stabilize the land on the insured premises.

If we at our option repair the “principal building” under Coverage A for direct physical loss resulting from the peril of “catastrophic ground cover collapse,” we will stabilize the “principal building’s” land in accordance with our professional engineer’s recommended repairs.

This peril does not increase the limit of liability that applies to the damaged property.

This peril does not apply to property covered under Coverage **B** – Other Structures.

The Section **I** – Earth Movement and Settlement exclusion 1.b. does not apply to “catastrophic ground cover collapse.”

The Section **I** – Loss caused by “sinkhole” exclusion 1.i. does not apply to “catastrophic ground cover collapse.”

COVERAGE C – PERSONAL PROPERTY

We insure for direct physical loss to the property described in Coverage **C** caused by a peril listed below unless the loss is excluded in Section **I** – Exclusions.

1. Fire or lightning.

2. Windstorm or hail.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail first damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

3. Explosion.

4. Riot or civil commotion.

5. Aircraft, including self-propelled missiles and spacecraft.

6. Vehicles.

7. Smoke, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

8. Vandalism or malicious mischief.

9. Theft, including attempted theft and loss of property from the “residence premises” when it is likely that the property has been stolen.

Personal property contained in any bank, trust or safe deposit company or public warehouse will be considered on the “residence premises.”

This peril does not include loss caused by theft:

- a. While property is off the “residence premises”;

b. Committed by an “insured”;

c. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or

d. From that part of a “residence premises” rented by an “insured” to other than an “insured.”

10. Falling Objects.

This peril does not include loss to property contained in the building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

11. Weight of ice, snow or sleet which causes damage to property contained in the building.

12. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

a. To the system or appliance from which the water or steam escaped;

b. Caused by or resulting from freezing except as provided in the peril of freezing below; or

c. On the “residence premises” caused by accidental discharge or overflow which occurs off the “residence premises”;

d. Caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor which occurs over a period of time, whether hidden or not and results in damage such as wet or dry rot, “fungi,” deterioration, rust, decay or other corrosion; or

e. Otherwise excluded.

In this peril, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

13. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic

fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

14. **Freezing** of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the “residence premises” while the dwelling is “vacant” or “unoccupied”, unless you have used reasonable care to:

- Maintain heat in the building; or
- Shut off the water supply and drain the system and appliances of water.

15. **Sudden and accidental damage from artificially generated electrical current.**

This peril does not include loss to a tube, transistor or similar electronic component.

16. **Volcanic Eruption** other than loss caused by earthquake, land shock waves or tremors.

17. **Catastrophic Ground Cover Collapse.**

- We insure for direct physical loss to property covered under Coverage **C** located within the “principal building” resulting from a “catastrophic ground cover collapse,” unless the loss is excluded elsewhere in this policy.
- Damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a “catastrophic ground cover collapse.”
- Direct physical loss to property covered under Coverage **C** from the peril of “catastrophic ground cover collapse” does not apply to the costs to repair the depression or hole, or to stabilize the land on the insured premises.

This peril does not increase the limit of liability that applies to the damaged property.

The Section **I** – Earth Movement and Settlement exclusion 1.b. does not apply to “catastrophic ground cover collapse.”

The Section **I** – Loss caused by “sinkhole” exclusion 1.i. does not apply to “catastrophic ground cover collapse.”

SECTION I - EXCLUSIONS

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

- Ordinance or Law**, meaning any ordinance or law;

- Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris.

This Exclusion 1.a. does not apply to the amount of coverage that may be provided for under Additional Coverages, Glass or Safety Glazing Material or Ordinance or Law;

- The requirements of which result in a loss in value to property; or
- Requiring any “insured” or others to:
 - Test for;
 - Monitor;

- Clean up;
- Remove;
- Contain;
- Treat;
- Detoxify;
- Neutralize; or
- In any way respond to or assess the effects of pollutants.

Pollutants means any solid, liquid, gaseous, or thermal irritant, or contaminant including:

- Smoke;
- Vapor;
- Soot;
- Fumes;
- Acids;
- Alkalis;
- Chemicals; and
- Waste.

Waste includes materials to be recycled, reconditioned or reclaimed;

This Exclusion 1.a. applies whether or not the property has been physically damaged.

b. Earth Movement and Settlement, meaning:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - (2) Landslide;
 - (3) Mine subsidence;
 - (4) Mudflow or mudslide;
 - (5) Earth sinking, rising or shifting;
 - (6) Clay shrinkage or other expansion or contraction of soils or organic materials;
 - (7) Decay of buried or organic materials;
 - (8) Settling, cracking or expansion of foundations; or
 - (9) Scouring;
- whether caused by natural or man made activities; unless direct loss by:

- (1) Fire; or
- (2) Explosion;

ensues and then we will pay only for the ensuing loss.

c. Water Damage, meaning:

- (1) Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, storm surge, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- (2) Water which:
 - (a) Backs up through sewers or drains; or
 - (b) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- (3) Water below the surface of the ground, including water which exerts pressure on or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in c.(1) through c.(3) of this Exclusion.

This Exclusion 1.c. applies regardless of whether any of the above, in c.(1) through c.(4) is caused by or results from human or animal forces or any act of nature.

This Exclusion 1.c. applies to, but is not limited to, escape, overflow or discharge, for any reason of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above in c.(1) through c.(4) is covered.

d. Power Failure, meaning:

The failure of power or other utility service if the failure takes place off the "residence premises."

But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the "residence premises," we will pay for the loss or damage caused by that Peril Insured Against.

e. Neglect, meaning neglect of any "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

f. War, including the following and any consequence of any of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

g. Nuclear Hazard, to the extent set forth in the Nuclear Hazard Clause of Section I – Conditions.

h. Intentional Loss, meaning any loss arising out of any act committed:

- (1) By or at the direction of an "insured"; and
- (2) With the intent to cause a loss.

i. Loss caused by "sinkhole."

"Sinkhole" means:

- (1) A landform created by subsidence of soils, sediment, or rock as underlying strata are dissolved by ground water.
- (2) A "sinkhole" forms by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

j. **"Fungi," Wet Or Dry Rot, Yeast Or Bacteria** meaning:

The presence, growth, proliferation, spread or any activity of "fungi," wet or dry rot, yeast or bacteria.

This Exclusion 1.j. does not apply:

- (1) When "fungi," wet or dry rot, yeast or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the "Fungi," Wet Or Dry Rot, Yeast Or Bacteria Additional Coverage under Section I – Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning.

Direct loss by a Peril Insured Against resulting from "fungi," wet or dry rot, yeast or bacteria is covered.

k. **Existing Damage**, meaning:

- (1) Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- (2) Claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception.

This Exclusion 1.k. does not apply in the event of a total loss caused by a Peril Insured Against.

l. **Constant or repeated seepage or leakage** of water or steam, or the presence or condensation of humidity, moisture or vapor, which occurs over a period of time, whether hidden or not, and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion.

m. **Accidental discharge or overflow of water or steam** from:

- (1) Within a plumbing, heating, air conditioning or automatic fire protective sprinkler system;
- (2) Within a household appliance for heating water; or
- (3) Within a household appliance.

This Exclusion 1.m. applies only while the dwelling is vacant or, "unoccupied" for more than 30 consecutive days or being constructed; unless you have used reasonable care to:

- (1) Shut off the water supply; and
- (2) Drain the system and appliances of water.

Systems and appliances of water do not include outdoor swimming spas or outdoor irrigation wells.

2. We do not insure for loss to property described in Coverages **A** and **B** caused by any of the following. However, any ensuing loss to property described in Coverages **A** and **B** not otherwise excluded or excepted in this policy is covered.

- a. **Weather conditions.** However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the loss;
- b. **Acts or decisions**, including the failure to act or decide, of any person, group, organization or governmental body;
- c. **Faulty, inadequate or defective;**
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

of part or all of any property whether on or off the "residence premises."

SECTION I - CONDITIONS

1. Insurable Interest and Limit of Liability.

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- a. To the "insured" for more than the amount of the "insured's" interest at the time of the loss; or
- b. For more than the applicable limit of liability.

2. Duties After Loss.

You must see that the following are done in the event of loss or damage to covered property:

- a. Give prompt notice to us or our agent;
- b. Notify the police in case of loss by theft;
- c. Notify the credit card or fund transfer card company in case of loss as provided for in Additional Coverage 6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money under Section I – Property Coverages;
- d. Protect the property from further damage. If repairs to the property are required, you must:
 - (1) Make reasonable and necessary temporary repairs to protect the property; and
 - (2) Keep an accurate record of repair expenses;
- e. Cooperate with us in the investigation of a claim;
- f. Prepare an inventory of damaged personal property showing the:
 - (1) Quantity;
 - (2) Description;
 - (3) Actual cash value; and
 - (4) Amount of loss.

Attach all bills, receipts and related documents that justify the figures in the inventory;
- g. As often as we reasonably require:
 - (1) Show the damaged property;

(2) Provide us with records and documents we request and permit us to make copies;

(3) You or any "insured" under this policy must:

(a) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and

(b) Sign the same;

(4) If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must:

(a) Submit to examinations under oath and recorded statements, while not in the presence of any other "insured"; and

(b) Sign the same;

(5) Anyone you hire in connection with your claim and anyone insured under this policy, other than an "insured" in (3) and (4) above, must:

(a) Submit to examinations under oath and recorded statements, while not in the presence of any "insured"; and

(b) Sign the same;

h. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

(1) The time and cause of loss;

(2) The interest of all "insureds" and all others in the property involved and all liens on the property;

(3) Other insurance which may cover the loss;

(4) Changes in title or occupancy of the property during the term of the policy;

(5) Specifications of damaged buildings and detailed repair estimates;

(6) The inventory of damaged personal property described in 2.f. above;

- (7) Receipts for additional living expenses incurred and records that support the fair rental value loss; and
- (8) Evidence or affidavit that supports a claim under Additional Coverage 6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money under Section I – Property Coverages, stating the amount and cause of loss.
- i. A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, supplemental claim, or reopened claim is given to us in accordance with terms of the policy within 3 years after the date the hurricane first made landfall in Florida or the windstorm caused the covered damage.

A supplemental claim or reopened claim means any additional claim for recovery from us for losses from the same hurricane or windstorm which we have previously adjusted pursuant to the initial claim.

3. Loss Settlement.

Covered property losses are settled as follows:

- a. Property of the following types:
 - (1) Personal property;
 - (2) Carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
 - (3) Structures that are not buildings; at actual cash value at the time of loss but not more than the amount required to repair or replace.
- b. Buildings under Coverage **A** or **B** at replacement cost without deduction for depreciation, subject to the following:
 - (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:

- (a) The limit of liability under this policy that applies to the building;
 - (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or
 - (c) The necessary amount to repair or replace the damaged building.
- (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
 - (a) The actual cash value of that part of the building damaged; or
 - (b) That proportion of the cost to repair or replace, after application of deductible and without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- (3) To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
 - (a) Excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b) Those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) Underground flues, pipes, wiring and drains.
 - (d) Structures and other property excluded or not covered elsewhere in your policy.
- (4) We will initially pay at least the actual cash value of the insured loss, less any applicable deductible. We will then pay any remaining amounts necessary to

perform such repairs as work is performed and expenses are incurred, subject to b.(1) and b.(2) above.

If a total loss of the dwelling occurs, the provisions of b.(4) above do not apply and we will pay the replacement cost coverage without reservation or holdback of any depreciation in value, pursuant to Section 627.702, Florida Statutes.

This does not prohibit us from exercising our right to repair damaged property in compliance with this policy and pursuant to Section 627.702(7), Florida Statutes.

- (5) If the dwelling where loss or damage occurs has been vacant for more than 30 consecutive days before the loss or damage we will:

(a) Not pay for any loss or damage caused by any of the following perils, even if they are Peril Insured Against:

- (i) Vandalism;
- (ii) Sprinkler leakage caused by or arising out of the freezing of a fire protective sprinkler system, unless you have protected the system against freezing;
- (iii) Dwelling glass breakage;
- (iv) Water damage;
- (v) Theft; or
- (vi) Attempted theft.
- (vii) Malicious mischief

(b) Reduce the amount we would otherwise pay for a covered loss by 15%.

Dwellings under construction are not considered vacant.

- (6) In the event of a "catastrophic ground cover collapse," any repairs must be made in accordance with the recommendations of our professional engineer.

If our professional engineer selected or approved by us determines that the repairs cannot be completed within the applicable Limit of Insurance, we will at our option; either;

- (a) Complete the professional engineer's recommended repairs; or

(b) Pay the policy limits without a reduction for the repair expenses incurred.

4. **Loss to a Pair or Set.**

In case of loss to a pair or set we may elect to:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between actual cash value of the property before and after the loss.

5. **Glass Replacement.**

Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

6. **Mediation or Appraisal.**

a. Mediation. If there is a dispute with respect to a claim under this policy, you or we may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services.

- (1) The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request.
- (2) The settlement in the course of the mediation is binding only if:
 - (a) Both parties agree, in writing, on a settlement; and
 - (b) You have not rescinded the settlement within 3 business days after reaching settlement.
- (3) You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.
- (4) We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the mediator's fee for that rescheduled conference.

(5) However, if we fail to appear at a mediation conference, we will pay:

- (a) Your actual cash expenses incurred while attending the conference; and
- (b) Also pay the mediator's fee for the rescheduled conference.

b. Appraisal.

If you and we fail to agree on the amount of loss, either may request an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

- (1) Pay its own appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

7. Other Insurance And Service Agreement.

If a loss covered by this policy is also covered by:

- a. Other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
- b. A service agreement, this insurance is excess over any amounts payable under any such agreement.

Service agreement means a service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

8. Suit Against Us.

No action can be brought against us; unless:

- a. There has been full compliance with all of the terms of this policy; and
- b. The action is started within 5 years after the date of the loss.

9. Our Option.

If at the time of loss:

- a. We give or mail you written notice within 30 days after we receive your signed, sworn proof of loss; and
 - (1) The damaged property under Coverage **A – Dwelling** in Section **I – Property Coverages** is insured for Replacement Cost loss settlement as described in your Loss Settlement conditions:
 - (a) We may, at our option, repair any part or item of the damaged Coverage **A** property with material or property of like kind and quality.
 - (b) If an identical replacement is part of the repair and is not available, we may, at our option, substitute replacement of equal or greater features, functions or capacities of the damaged property.
 - (2) The damaged property is insured for Actual Cash Value loss settlement as described in your Loss Settlement conditions:
 - (a) We may, at our option, repair, rebuild or replace any part or item of the damaged property with material or property of like kind and quality.
 - (b) If an identical replacement is not available, we may, at our option, substitute replacement of equal or greater features, functions or capacities of the damaged property.
- b. The damaged property, other than a.(1) above, is insured for Replacement Cost loss settlement as described in your Loss Settlement conditions:

We will pay the amount of loss, whether or not you repair or replace the damaged property.

10. Loss Payment.

We will adjust all losses with you.

We will pay you unless some other person named in the policy is also legally entitled to receive payment.

Loss will be payable:

- a. 20 days after we receive your proof of loss and reach written agreement with you; or
- b. 60 days after we receive your proof of loss; and;
 - (1) There is an entry of a final judgment; or
 - (2) There is a filing of an appraisal award or mediation settlement with us.
- c. Within 90 days after we receive notice of an initial, reopened, or supplemental property insurance claim from you, where for each initial, reopened, or supplemental property insurance claim, we shall pay or deny such claim or portion of such claim, unless there are circumstances beyond our control which reasonably prevent such payment.

Paragraph c. above does not form the sole basis for a private cause of action against us.

11. Abandonment of Property.

We need not accept any property abandoned by an "insured."

12. Mortgage Clause.

The word "mortgagee" includes trustee and lienholder.

If a mortgagee is named in this policy, any loss payable under Coverage **A** or **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:

- a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware.

This notice includes notifying us of foreclosure or if a foreclosure has been initiated;

- b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. No Benefit to Bailee.

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

14. Nuclear Hazard Clause.

- a. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
- b. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section **I**.
- c. This policy does not apply under Section **I** to loss caused directly or indirectly by nuclear

hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

15. Recovered Property.

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery.

At your option, the property will be returned to or retained by you or it will become our property.

If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

16. Volcanic Eruption Period.

One or more volcanic eruptions that occur within a 72 hour period will be considered as one volcanic eruption.

17. Adjustment to Property Coverage Limits.

If your policy is a renewal with us, the limit of liability for Coverages **A**, **B**, **C** and **D** may be adjusted.

Any change in the limits of liability indicated above does not, in any way, represent, warrant, or guarantee to any person or entity, that:

- a. These adjustments will keep pace with inflation; or
- b. The amounts of coverage are adequate to repair or rebuild any specific building or structure.

18. Deductible.

Unless otherwise noted in this policy, the following deductible provision applies:

Subject to the policy limits that apply, we will pay only that part of the total of all loss payable under **Section I** that exceeds the deductible amount shown in the Declarations.

19. Assignment of Claim Benefits

- a. Any person or entity that effectuates repairs to property insured under this policy is not entitled to perform those repairs or receive compensation for services using an assignment of benefits or any instrument that transfers any post loss rights under the insurance contract without the prior written consent of all "insureds", all additional insureds and all mortgagee(s) named in the policy.
- b. For any assignment of benefits after a loss:
 - (1) You must disclose the assignment to us prior to the payment of any claim; and
 - (2) You must comply with all the **Section I – Conditions, 2. Duties After Loss**.

We have no duty to provide coverage under this policy if you fail to comply with these duties.
- c. If we deny the claim, that denial will apply to any and all claim(s) of any assignee(s).

SECTION II - LIABILITY COVERAGES

COVERAGE E – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which the "insured" is legally liable. Damages include prejudgment interest awarded against the "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate.

Our duty to settle or defend ends when the amount we pay for damages resulting from the "occurrence" equals our limit of liability.

COVERAGE F – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury." Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees." As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location," if the "bodily injury":
 - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
 - b. Is caused by the activities of an "insured";
 - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
- d. Is caused by an animal owned by or in the care of an "insured."

SECTION II - EXCLUSIONS

1. **Coverage E – Personal Liability and Coverage F – Medical Payments to Others** do not apply to "bodily injury" or "property damage":
 - a. Which is expected or intended by one or more "insureds";
 - b. Arising out of or in connection with a "business" engaged in by an "insured." This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business";
 - c. Arising out of the rental or holding for rental of any part of any premises by an "insured." This exclusion does not apply to the rental or holding for rental of an "insured location":
 - (1) On an occasional basis if used only as a residence;
 - (2) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
 - (3) In part, as an office, school, studio or private garage;
 - d. Arising out of the rendering of or failure to render professional services;
 - e. Arising out of a premises:
 - (1) Owned by an "insured";
 - (2) Rented to an "insured"; or
 - (3) Rented to others by an "insured"; that is not an "insured location";
 - f. Arising out of:
 - (1) The ownership, maintenance, use, loading or unloading of motor vehicles or all other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an "insured";
 - (2) The entrustment by an "insured" of a motor vehicle or any other motorized land conveyance to any person; or
 - (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1) or (2) above.
 This exclusion does not apply to:
 - (1) A trailer not towed by or carried on a motorized land conveyance.
 - (2) A motorized golf cart which at the time of occurrence is being:
 - (a) Operated to or from, or on the premises of a golf course; and
 - (b) Used to play golf on a golf course;
 - (3) A vehicle or conveyance not subject to motor vehicle registration which is:
 - (a) Located on the "residence premises" and used solely to service an "insured's" residence;
 - (b) Designed for assisting the handicapped and at the time of occurrence is being used to assist the handicapped; or
 - (c) In dead storage on an "insured location";

g. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of any watercraft, including "personal watercraft", owned or operated by or rented or loaned to an "insured"; or
- (2) The entrustment by an "insured" of any watercraft to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using any watercraft.

h. Arising out of:

- (1) The ownership, maintenance, use, loading or unloading of an aircraft;
- (2) The entrustment by an "insured" of an aircraft to any person; or
- (3) Vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using an aircraft.

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;

i. Caused directly or indirectly by war, including the following and any consequence of any of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

j. Which arises out of the transmission of a communicable disease by an "insured";

k. Arising out of sexual molestation, corporal punishment or physical or mental abuse; or

l. Arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined under federal law.

Controlled Substances include, but are not limited to:

- (1) Cocaine;
- (2) LSD;
- (3) Marijuana; and

(4) All narcotic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

m. **Coverage E – Personal Liability** and **Coverage F – Medical Payments to Others** do not apply to "bodily injury" or "property damage" arising:

- (1) Out of the ingestion of paint that has lead in it;
- (2) Out of the ingestion of paint that has lead compounds in it;
- (3) Out of the inhalation of paint that has lead in it;
- (4) Out of the inhalation of paint that has lead compounds in it;
- (5) From radon, or any other substance that emits radiation;
- (6) In any manner (including liability imposed by law) from the discharge, disposal, release or escape of:
 - (a) Vapors or fumes;
 - (b) Gas or oil;
 - (c) Toxic chemicals, liquid or gas;
 - (d) Waste materials; and
 - (e) Irritants, contaminants or pollutants.

All other conditions are the same.

Exclusions e., f., g. and h. do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured."

2. **Coverage E – Personal Liability**, does not apply to:

a. Liability:

- (1) For any loss assessment charged against you as a member of an association, corporation or community of property owners;
- (2) Under any contract or agreement. However, this exclusion does not apply to written contracts:
 - (a) That directly relate to the ownership, maintenance or use of an "insured location"; or

- (b) Where the liability of others is assumed by the "insured" prior to an "occurrence";
unless excluded in (1) above or elsewhere in this policy;
 - b. "Property damage" to property owned by the "insured";
 - c. "Property damage" to property rented to, occupied or used by or in the care of the "insured." This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
 - d. "Bodily injury" to any person eligible to receive any benefits:
 - (1) Voluntarily provided; or
 - (2) Required to be provided;
 By the "insured" under any:
 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;
 - e. "Bodily injury" or "property damage" for which an "insured" under this policy:
 - (1) Is also an insured under a nuclear energy liability policy; or
 - (2) Would be an insured under that policy but for the exhaustion of its limit of liability.
 A nuclear energy liability policy is one issued by:
 - (1) American Nuclear Insurers;
 - (2) Mutual Atomic Energy Liability Underwriters;
 - (3) Nuclear Insurance Association of Canada, or any of their successors;
 - f. "Bodily injury" to you or an "insured" within the meaning of part a. or b. of "insured" as defined; or
 - g. "Bodily injury" or "property damage" caused by or arising out of any animal whether or not the injury occurs on your premises or any other location.
3. **Coverage F – Medical Payments to Others,** does not apply to "bodily injury":
- a. To a "residence employee" if the "bodily injury":
 - (1) Occurs off the "insured location"; and

- (2) Does not arise out of or in the course of the "residence employee's" employment by an "insured";
- b. To any person eligible to receive benefits:
 - (1) Voluntarily provided; or
 - (2) Required to be provided;
 under any:
 - (1) Workers' compensation law;
 - (2) Non-occupational disability law; or
 - (3) Occupational disease law;
- c. From any:
 - (1) Nuclear reaction;
 - (2) Nuclear radiation; or
 - (3) Radioactive contamination;
 All whether controlled or uncontrolled or however caused; or
 - (4) Any consequence of any of these; or
- d. To any person, other than a "residence employee" of an "insured," regularly residing on any part of the "insured location."

4. **Personal Injury.**

This insurance does not apply to "personal injury":

- a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury";
- b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of an "insured";
- e. Arising out of liability assumed by an "insured" under any contract or agreement except any indemnity obligation assumed by an "insured" under a written contract directly relating to the ownership maintenance or use of the premises;
- f. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";

- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured," whether or not the "business" is owned or operated by an "insured" or employs an "insured."

This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "business."

SECTION II - ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses.

We pay:

- Expenses we incur and costs taxed against an "insured" in any suit we defend;
- Premiums on bonds required in a suit we defend, but not for bond amounts more than the limit of liability for Coverage E. We need not apply for or furnish any bond;
- Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting us in the investigation or defense of a claim or suit; and
- Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. First Aid Expenses.

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to you or any other "insured."

3. Damage to Property of Others.

We will pay, at replacement cost, up to \$500 per "occurrence" for "property damage" to property of others caused by an "insured."

We will not pay for "property damage":

- To the extent of any amount recoverable under Section I of this policy;
- Caused intentionally by an "insured" who is 13 years of age or older;
- To property owned by an "insured";

- To property owned by or rented to a tenant of an "insured" or a resident in your household; or

- Arising out of:

- A "business" engaged in by an "insured";
- Any act or omission in connection with a premises owned, rented or controlled by an "insured," other than the "insured location"; or
- The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration and not owned by an "insured."

4. Loss Assessment.

We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you by a corporation or association of property owners, when the assessment is made as a result of:

- "Bodily injury" or "property damage" not excluded under Section II of this policy; or
- Liability for an act of a director, officer, or trustee in the capacity as a director, officer or trustee, provided:
 - The director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - The director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charges against you as owner or tenant of the "residence premises."

We do not cover loss assessments charged against you or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

- a. One accident, including continuous or repeated exposure to substantially the same general harmful condition; or

- b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

The following does not apply to this coverage:

- a. Section II – Coverage E – Personal liability Exclusion 2.a.(1); and
- b. Condition 1. Policy Period, under Sections I and II – Conditions.

SECTION II - CONDITIONS

1. Limit Of Liability.

- a. Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E limit of liability shown in the Declarations.

This limit is the same regardless of the number of "insureds," claims made or persons injured.

All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered to be the result of one "occurrence."

- b. Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F limit of liability shown in the Declarations.

- c. **Sub-limit Of Liability**

However, our total liability under Coverage E for the total of all damages arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened:

- (1) Inhalation of;
- (2) Ingestion of;
- (3) Contact with;
- (4) Exposure to;
- (5) Existence of; or
- (6) Presence of any "fungi," wet or dry rot, yeast or bacteria;

will not be more than the Section II – Coverage E Aggregate Sublimit of Liability of \$50,000 for "Fungi," Wet Or Dry Rot, Yeast Or Bacteria.

This is the most we will pay regardless of the:

- (1) Number of locations insured under the policy to which this endorsement is attached;
- (2) Number of persons injured;
- (3) Number of persons whose property is damaged;
- (4) Number of "insureds"; or
- (5) Number of "occurrences" or claims made.

This sublimit is within, but does not increase, the Coverage E limit of liability.

It applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

This condition does not apply with respect to damages arising out of "fungi," wet or dry rot, yeast or bacteria when Endorsement **HPC 03 34** is attached.

2. Severability Of Insurance.

This insurance applies separately to each "insured" except with respect to the Aggregate Sublimit of Liability of \$50,000 described under Section II, Conditions 1.c. – Sublimit of Liability for "Fungi," Wet Or Dry Rot, Yeast Or Bacteria.

This condition will not increase the limit of liability for this coverage.

3. Duties After Loss.

In case of an accident or "occurrence," the "insured" will perform the following duties that apply. You will help us by seeing that these duties are performed:

- a. Give written notice to us or our agent as soon as is practical, which sets forth:
 - (1) The identity of the policy and "insured";
 - (2) Reasonably available information on the time, place and circumstances of the accident or "occurrence"; and
 - (3) Names and addresses of any claimants and witnesses;
- b. Promptly forward to us every notice, demand, summons or other process relating to the accident or "occurrence";
- c. At our request, help us:
 - (1) To make settlement;
 - (2) To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
 - (3) With the conduct of suits and attend hearings and trials; and
 - (4) To secure and give evidence and obtain the attendance of witnesses;
- d. Under the coverage – Damage to Property of Others – submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in the "insured's" control;
- e. The "insured" will not, except at the "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury."

4. Duties of an Injured Person – Coverage F – Medical Payments to Others.

The injured person or someone acting for the injured person will:

- a. Give us written proof of claim, under oath if required, as soon as is practical; and

- b. Authorize us to obtain copies of medical reports and records.

The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

5. Payment of Claim – Coverage F – Medical Payments to Others.

Payment under this coverage is not an admission of liability by an "insured" or us.

6. Suit Against Us.

No action can be brought against us unless there has been compliance with the policy provisions.

No one will have the right to join us as a party to any action against an "insured." Also, no action with respect to Coverage E can be brought against us until the obligation of the "insured" has been determined by final judgment or agreement signed by us.

7. Bankruptcy of an Insured.

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

8. Other Insurance – Coverage E – Personal Liability.

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

9. Joint Obligations.

The terms of this policy impose joint obligations on persons defined as an "insured." This means that the responsibilities, acts and failures to act of a person defined as an "insured" will be binding upon another person defined as an "insured" person.

SECTION I and II - CONDITIONS

1. Policy Period.

This policy applies only to loss in Section I or "bodily injury" or "property damage" in Section II, which occurs during the policy period.

2. Concealment or Fraud.

a. Under Section I – Property Coverages, with respect to all "insureds" covered under this policy, we provide no coverage for loss under Section I – Property Coverages if, whether before or after a loss, one or more "insureds" have:

- (1) Intentionally concealed or misrepresented any material fact or circumstance;
- (2) Engaged in fraudulent conduct; or
- (3) Made material false statements; relating to this insurance.

b. Under Section II – Liability Coverages, we do not provide coverage to one or more "insureds" who, whether before or after a loss, have:

- (1) Intentionally concealed or misrepresented any material fact or circumstance;
- (2) Engaged in fraudulent conduct; or
- (3) Made material false statements; relating to this insurance.

3. Liberalization Clause.

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented through introduction of a subsequent edition of our policy.

4. Waiver or Change of Policy Provisions.

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

5. Cancellation.

a. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

b. When you have not paid the premium, we may cancel at any time by letting the first named insured know at least 10 days before the date the cancellation takes effect.

c. When this policy has been in effect for 90 days or less:

(1) We may cancel immediately if there has been:

- (a) A material misstatement or misrepresentation; or
- (b) Failure to comply with underwriting requirements;

and your residential structure has not been insured by us for at least a 5 year period immediately prior to the date of the written notice.

(2) We may also cancel this policy subject to the following provisions:

A written cancellation notice, together with the specific reason(s) for cancellation, will be delivered to the first named insured, or mailed to the first named insured at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

We may cancel for any reason, except we may not cancel:

(a) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

(b) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to

prevent a future similar occurrence of damage to the insured property; or

- (3) Except as provided in items 5.b. above, we will let the first named insured know of our action at least:

(a) 120 days before the date cancellation takes effect when your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice; or

(b) 20 days before the date the cancellation takes effect in all other cases.

- d. When this policy has been in effect for more than 90 days, we may cancel:

- (1) If there has been a material misstatement;
- (2) If the risk has changed substantially since the policy was issued;
- (3) In the event of failure to comply with underwriting requirements established by us within 90 days of the effective date of coverage;
- (4) If the cancellation is for all insureds under policies of this type for a given class of insureds.

However, we may not cancel:

- (1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- (2) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

Except as provided in item 5.b. above, we will let the first named insured know of our action at least 100 days before the date the cancellation takes effect.

However:

- (1) We shall give the first named insured at least 100 days written notice; or
- (2) When required by law, written notice to the first named insured by June 1, whichever is earlier, for any cancellation that would be effective between June 1 and November 30; except that:
- (3) We shall give at least 120 days written notice to the first named insured before the date cancellation takes effect when your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice

- e. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

- f. If the return premium is not returned with the policy notice of cancellation or when this policy is returned to us, we will refund it within 15 working days after the date cancellation takes effect.

6. **Nonrenewal.**

We may elect not to renew this policy.

- a. We may do so by delivering to the first named insured or mailing to the first named insured at the mailing address shown in the Declarations, written notice, together with the specific reason(s) for nonrenewal.

- (1) We shall give the first named insured at least 100 days' written notice before the expiration of the policy; or
- (2) When required by law, written notice to the first named insured by June 1, for any nonrenewal that would be effective between June 1 and November 30; whichever is earlier; unless:
- (3) Your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice for nonrenewal, then we shall give the first named insured at least 120 days written notice before the date nonrenewal takes effect.

Proof of mailing will be sufficient proof of notice.

b. We will not nonrenew this policy:

- (1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested to prevent recurrence of damage to the insured property;
- (2) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- (3) On the basis of filing of claim(s) for "sinkhole loss"; unless:
 - (a) The total of such payments equal or exceed the policy limits of coverage for the policy in effect on the date of loss, for property damage to the "principal building"; or
 - (b) You have failed to repair the structure in accordance with the engineering recommendations upon which any payment or policy proceeds were based.

However, we may elect not to renew this policy if:

- (a) The total of such property claim payments for this policy equals or exceeds the policy limits of coverage for the policy in effect on the date of loss; or
- (b) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.

7. **Assignment.**

Assignment of this policy will not be valid unless we give our written consent.

8. **Subrogation.**

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights

of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

9. **Salvage**

We may permit you to keep damaged insured property after a loss. If we permit you to keep damaged insured property, we will reduce the amount of loss proceeds payable to you under the policy by the value of the salvage.

10. **Inspections and Surveys**

a. We have the right to:

- (1) Make inspections and surveys at any time;
- (2) Give you reports on the conditions we find; and
- (3) Recommend changes.

b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged.

We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes or standards.

c. This condition applies not only to us, but also to any rating, advisory, inspection service or similar organization which makes insurance inspections, surveys, reports or recommendations.

11. **Notice.**

A company employee, adjuster, independent adjuster, attorney, investigator, or other persons acting on behalf of us that needs access to an insured or the claimant or to the insured property that is the subject of a claim must provide at least 48 hours notice to the insured or

the claimant, public adjuster, or legal representative before scheduling a meeting with the claimant or an onsite inspection of the insured property. The insured or the claimant may deny access to the property if notice has not been provided. The insured or the claimant may waive the 48-hour notice.

12. Death.

If any person named in the Declarations or the spouse, if a resident of the same household dies:

- a. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
- b. "Insured" includes:
 - (1) Any member of your household who is an "insured" at the time of your death, but only while a resident of the "residence premises"; and
 - (2) With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

13. Renewal Notification.

If we elect to renew this policy, we will let the first named insured know, in writing:

- a. Of our decision to renew this policy; and
- b. The amount of renewal premium payable to us.

This notice will be delivered to the first named insured or mailed to the first named insured at the mailing address shown in the Declarations at least 45 days before the expiration date of this policy.

Proof of mailing will be sufficient proof of notice.

SPECIAL PROVISIONS – FLORIDA**FOR USE WITH HPC HO-3 11 13****TABLE OF CONTENTS**

Under **ADDITIONAL COVERAGES**, “Reasonable Repairs” is deleted and replaced by “Reasonable Emergency Measures”

ADDITIONAL COVERAGES

2. Reasonable Repairs is deleted and replaced by the following:

2. Reasonable Emergency Measures

- a. We will pay up to the greater of \$3,000 or 1% of your Coverage **A** limit of liability for the reasonable costs incurred by you for necessary measures taken solely to protect covered property from further damage, when the damage or loss is caused by a Peril Insured Against.
- b. We will not pay more than the amount in **a.** above, unless we provide you approval within 48 hours of your request to us to exceed the limit in **a.** above. In such circumstance, we will pay only up to the additional amount for the measures we authorize.
- c. If we fail to respond to you within 48 hours of your request to us and the damage or loss is caused by a Peril Insured Against, you may exceed the amount in **a.** above only up to the cost incurred by you for the reasonable emergency measures necessary to protect the covered property from further damage.
- d. If however, form **HPC 24** is part of your Policy and a covered loss occurs during a “Hurricane” as described in **HPC 24**, the amount we will pay under this additional coverage is not limited to the amount in **a.** above.
- e. A reasonable measure under this Additional Coverage 2. may include a permanent repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect.
- f. This coverage:

- (1) Does not increase the limit of liability that applies to the covered property;
- (2) Does not relieve you of your duties, in case of a loss to covered property, as set forth in Section I – Condition 2.
- (3) Does not pay for property not covered, or for repairs resulting from a peril not covered, or for loss excluded in this Policy.

SECTION I – PERILS INSURED AGAINST**COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES**

b.f. is deleted and replaced by the following:

- f. Accidental discharge or overflow of water or steam, unless loss to property covered under Coverage **A** or **B** results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the “residence premises.”

Loss to property covered under Coverage **A** or **B** that results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the “residence premises” includes the cost to tear out and repair only that part or portion of a building or other structure covered under Coverage **A** or **B**, on the “residence premises,” necessary to access the system or appliance.

- (1) The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered under Coverage **A** or **B** as specified above is limited to only that part or portion of the covered building or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.

Heritage Property & Casualty Insurance Company

- (2) In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover:

- (1) Loss to the system or appliance from which this water or steam escaped;
- (2) Loss on the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises";
- (3) Loss caused by constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, which occurs over a period of weeks, months or years, whether hidden or not and results in damage such as wet or dry rot, "fungi," deterioration, rust, decay or other corrosion;
- (4) Loss to a plumbing system, whether above or below the ground, caused by:
 - (a) Age, collapse, obsolescence, wear, tear;
 - (b) Fading, oxidation, weathering;
 - (c) Deterioration, decay, marring, delamination, crumbling, settling, cracking;
 - (d) Shifting, bulging, racking, sagging, bowing, bending, leaning;
 - (e) Shrinkage, expansion, contraction, bellying, corrosion;
 - (f) The unavailability or discontinuation of a part or component of the system; or
 - (g) Any other age or maintenance related issue;
- (5) Loss to a plumbing system, whether above or below the ground, caused by the impairment, state or condition of system, which prohibits repair or replacement including access, necessary to connect the adjoining parts of appliances, pipe or system; or
- (6) Loss otherwise excluded or limited elsewhere in the Policy.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation

HPC HO3 SP 09 16

system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

The paragraphs under b., after i.(1) through i.(7), are deleted and replaced by the following:

If any of these cause water damage not otherwise excluded or limited elsewhere in the Policy, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water, including the cost to tear out and repair only that part or portion of a building or other structure covered under Coverage **A** or **B**, on the "residence premises", necessary to access the system or appliance.

- (1) The cost that we will pay for the tear out and repair of the part or portion of the building or other structure covered under Coverage **A** or **B** as specified above is limited to only that part or portion of the covered structure or other structure which is necessary to provide access to the part or portion of the system or appliance that caused the covered loss, whether the system or appliance, or any part or portion of the system or appliance, is repairable or not.
- (2) In no event will we pay for the repair or the replacement of the system or appliance that caused the covered loss.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

COVERAGE C – PERSONAL PROPERTY

12.e. is deleted and replaced by the following:

- e. Otherwise excluded or limited elsewhere in the Policy.

Under **SECTION I – PERILS INSURED AGAINST**, a plumbing system includes a septic system.

SECTION I – EXCLUSIONS

Under 1.k. **Existing Damage**, (2) is deleted and replaced by the following:

Heritage Property & Casualty Insurance Company

- (2) Claims for damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception. However, any ensuing loss arising out of workmanship, repairs or lack of repairs, caused by a Peril Insured Against, to property described under Section I – Property Coverages, is covered unless the loss is otherwise excluded in the policy.

SECTION I – CONDITIONS

Under 2. Duties After Loss.

The first paragraph is deleted and replaced by the following:

In case of a loss to covered property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

2.a. is deleted and replaced by the following:

- a. Give prompt notice to us or our agent;
- Except for Reasonable Emergency Measures taken under Additional Coverage 2., there is no coverage for repairs that begin before the earlier of:
- (1) 72 hours after we are notified of the loss;
 - (2) The time of loss inspection by us; or
 - (3) The time of other approval by us.

If you unreasonably deny us access to inspect the loss during the period in a. (1) above, coverage for repairs beyond reasonable emergency measures begins the earlier of when we are given access to inspect the loss or when we fail to appear at a scheduled loss inspection.

2.d. is deleted and replaced by the following:

- d. Protect the covered property from further damage. The following must be performed:
- (1) Take reasonable emergency measures that are necessary to protect covered property from further damage, as provided under Additional Coverage 2.

A reasonable emergency measure under d.(1) above may include a permanent

HPC HO3 SP 09 16

repair when necessary to protect the covered property from further damage or to prevent unwanted entry to the property. To the degree reasonably possible, the damaged property must be retained for us to inspect; and

- (2) Keep an accurate record of repair expenses.

2.g. is deleted and replaced by the following:

g. As often as we reasonably require:

- (1) Show the damaged property;
- (2) Provide us with records and documents we request and permit us to make copies;
- (3) You or any "insured" under this policy must:
 - (a) Submit to examinations under oath and recorded statements, which may be videotaped, and which will be at the location insured if requested by us, while not in the presence of any other "insured"; and
 - (b) Sign the same;
- (4) If you are an association, corporation or other entity; any members, officers, directors, partners or similar representatives of the association, corporation or other entity must:
 - (a) Submit to examinations under oath and recorded statements, which may be videotaped, and which will be at the location insured if requested by us, while not in the presence of any other "insured"; and
 - (b) Sign the same;
- (5) Your agents, your representatives, including any public adjusters engaged on your behalf, and anyone insured under this policy, other than an "insured" in (3) and (4) above, must:
 - (a) Submit to examinations under oath and recorded statements, which may be videotaped, and which will be at the location insured if

Heritage Property & Casualty Insurance Company
requested by us, while not in the
presence of any "insured"; and

(b) Sign the same;

The following is added after 2.i.:

- j. (1) To the degree reasonably possible,
retain the damaged property; and
- (2) Allow us to inspect, subject to j.(1)
above, all damaged property prior to its
removal from the "residence premises."

The following paragraph is added to the end of
Duties After Loss.:

The duties listed apply regardless of whether
you, an "insured" seeking coverage, or a
representative of either retains or is assisted by
a party who provides legal advice, insurance
advice or expert claim advice, regarding an
insurance claim under this Policy.

SECTION I and II - CONDITIONS

2. Concealment or Fraud. is deleted and replaced by the
following:

2. Concealment or Fraud.

- a. Under Section I – Property Coverages, with
respect to all "insureds" covered under this
policy, we provide no coverage for loss
under Section I – Property Coverages if,
whether before or after a loss, one or more
"insureds" have:

- (1) Intentionally concealed or
misrepresented any material fact or
circumstance;
- (2) Engaged in fraudulent conduct; or
- (3) Made material false statements;
relating to this insurance.

However, we will not deny a claim based on
credit information available in public
records, whether disclosed or undisclosed, if
the policy has been in effect for more than
ninety (90) days.

- b. Under Section II – Liability Coverages, we do
not provide coverage to one or more
"insureds" who, whether before or after a
loss, have:

- (1) Intentionally concealed or
misrepresented any material fact or
circumstance;
- (2) Engaged in fraudulent conduct; or

HPC HO3 SP 09 16

(3) Made material false statements;
relating to this insurance.

However, we will not deny a claim based on
credit information available in public
records, whether disclosed or undisclosed, if
the policy has been in effect for more than
ninety (90) days.

5. Cancellation. is deleted and replaced by the following:

5. Cancellation.

- a. You may cancel this policy at any time by
returning it to us or by letting us know in
writing of the date cancellation is to take
effect.
- b. When you have not paid the premium, we
may cancel at any time by letting the first
named insured know at least 10 days before
the date the cancellation takes effect.
- c. When this policy has been in effect for 90
days or less:

(1) We may cancel immediately if there has
been:

- (a) A material misstatement or
misrepresentation; or
- (b) Failure to comply with underwriting
requirements;

(2) We may also cancel this policy subject to
the following provisions:

A written cancellation notice, together
with the specific reason(s) for
cancellation, will be delivered to the first
named insured, or mailed to the first
named insured at your mailing address
shown in the Declarations.

Proof of mailing will be sufficient proof
of notice.

We may cancel for any reason, except
we may not cancel:

- (a) On the basis of property insurance
claims that are the result of an Act of
God, unless we can demonstrate, by
claims frequency or otherwise, that
the "insured" has failed to take
action reasonably necessary as
requested by us to prevent
recurrence of damage to the insured
property;

Heritage Property & Casualty Insurance Company

HPC HO3 SP 09 16

(b) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or

(c) On the basis of credit information available in the public records; or

(d) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured."

Except as provided in item 5.b. above, we will let the first named insured know of our action at least 20 days before the date of cancellation takes effect.

d. When this policy has been in effect for more than 90 days, we may cancel:

(1) If there has been a material misstatement;

(2) If the risk has changed substantially since the policy was issued;

(3) In the event of failure to comply within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;

(4) If the cancellation is for all insureds under policies of this type for a given class of insureds.

However, we may not cancel:

(1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate, by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

(2) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably requested by us to prevent a future

similar occurrence of damage to the insured property.

(3) On the basis of credit information available in public records; or

(4) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured."

Except as provided in item 5.b. above, we will let the first named insured know of our action at least 120 days before the date the cancellation takes effect.

e. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

f. If the return premium is not returned with the policy notice of cancellation or when this policy is returned to us, we will refund it within 15 working days after the date cancellation takes effect.

6. **Nonrenewal.** is deleted and replaced by the following:

6. Nonrenewal.

We may elect not to renew this policy.

a. We may do so by delivering to the first named insured or mailing to the first named insured at the mailing address shown in the Declarations, written notice, together with the specific reason(s) for nonrenewal.

We shall give the first named insured at least 120 days' written notice before the expiration of the policy.

Proof of mailing will be sufficient proof of notice.

b. We will not nonrenew this policy:

(1) On the basis of property insurance claims that are the result of an Act of God, unless we can demonstrate by claims frequency or otherwise, that the "insured" has failed to take action reasonably necessary as requested to prevent recurrence of damage to the insured property;

(2) On the basis of a single claim which is the result of water damage, unless we can demonstrate that the "insured" has failed to take action reasonably

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HPC HO3 SP 09 16

requested by us to prevent a future similar occurrence of damage to the insured property; or

- (3) On the basis of filing of claim(s) for "sinkhole loss"; unless:
 - (a) The total of such payments equal or exceed the policy limits of coverage for the policy in effect on the date of loss, for property damage to the "principal building"; or
 - (b) You have failed to repair the structure in accordance with the engineering recommendations upon which any payment or policy proceeds were based.
- (4) On the basis of credit information available in public records; or
- (5) On the basis of the lawful use, possession, or ownership of a firearm or ammunition by an "insured" or household member of an "insured."

Checklist of Coverage

HPH095721

Policy Type: Homeowners

HT3

The following checklist is for informational purposes only. Florida law prohibits this checklist from changing any of the provisions of the insurance contract which is the subject of this checklist. Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits will be sent separately.

Reviewing this checklist together with your policy can help you gain a better understanding of your policy's actual coverages and limitations, and may even generate questions. By addressing any questions now, you will be more prepared later in the event of a claim. Experience has shown that many questions tend to arise regarding the coverage of attached or detached screened pool enclosures, screened porches, and other types of enclosures. Likewise, if your policy insures a condominium unit, questions may arise regarding the coverage of certain items, such as individual heating and air conditioning units; individual water heaters; floor, wall and ceiling coverings; built-in cabinets and counter tops; appliances; window treatments and hardware; and electrical fixtures. A clear understanding of your policy's coverages and limitations will reduce confusion that may arise during claims settlement.

Please refer to the policy for details and any exceptions to the coverages listed in this checklist. All coverages are subject to the provisions and conditions of the policy and any endorsements. If you have questions regarding your policy, please contact your agent or company. Consumer assistance is available from the Department of Financial Services, Division of Consumer Services' Helpline at (800) 342-2762 or www.fldfs.com.

This form was adopted by the Florida Financial Services Commission.

Dwelling Structure Coverage (Place of Residence)	
Limit of Insurance: <u>\$561,499.00</u>	Loss Settlement Basis: \$ <u>Replacement Cost</u> <small>(i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)</small>
Other Structures Coverage (Detached from Dwelling)	
Limit of Insurance: <u>\$11,230.00</u>	Loss Settlement Basis: \$ <u>Replacement Cost</u> <small>(i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)</small>
Personal Property Coverage	
Limit of Insurance: <u>\$140,380.00</u>	Loss Settlement Basis: \$ <u>Actual Cash Value</u> <small>(i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)</small>
Deductibles	
Annual Hurricane: <u>\$11,230.00</u>	All Perils (Other Than Hurricane): \$ <u>\$2,500.00</u>

Checklist of Coverage (continued)

The above Limit of Insurance, Deductibles, and Loss Settlement Basis apply to the following perils insured against:
(Items below marked **Y (Yes)** indicate coverage IS included, those marked **N (No)** indicate coverage is NOT included)

Y	Fire or Lightning
Y	Hurricane
N	Flood (Including storm surge)
Y	Windstorm or Hail (other than hurricane)
Y	Explosion
Y	Riot or Civil Commotion
Y	Aircraft
Y	Vehicles
Y	Smoke
Y	Vandalism or Malicious Mischief
Y	Theft
Y	Falling Objects
Y	Weight of Ice, Snow or Sleet
Y	Accidental Discharge or Overflow of Water or Steam
Y	Sudden and Accidental Tearing Apart, Cracking , Burning or Bulging
Y	Freezing
Y	Sudden and Accidental Damage from Artificially Generated Electrical Current
Y	Volcanic Eruption
N	Sinkhole
N	Any Other Peril Not Specifically Excluded (dwelling and other structures only)

Special limits and loss settlement exceptions may apply to certain items. Refer to your policy for details.

Loss Of Use Coverage			
Coverage		Limit of Insurance	Time Limit
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			
Y	Additional Living Expense	10% of Cov A	
N	Fair Rental Value		
Y	Civil Authority Prohibits Use		(no more than two weeks)

Property - Additional/Other Coverages				
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)			Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Limit of Insurance	Included	Additional
Y	Debris Removal	up to 5% over coverage limit	\$500	N/A
Y	Reasonable Repairs		N/A	N/A
Y	Property Removed			
Y	Credit Card, Electronic Fund Transfer Card, or Access Device, Forgery and Counterfeit Money	up to \$500	up to \$500	
Y	Loss Assessment	\$1,000	\$1,000	
Y	Collapse			
Y	Glass or Safety Glazing Material			
Y	Landlord's Furnishings	up to \$2500	\$2500	N/A
Y	Law and Ordinance	25%		25%
Y	Grave Markers			
Y	Mold, Fungi, Wet or Dry Rot, or Bacteria - property	\$10,000.00	\$10,000	\$0.00

Discounts		
(Items below marked Y (Yes) indicate discount IS applied, those marked N (No) indicate discount is NOT applied)		Dollar (\$) Amount of Discount
N	Multiple Policy	
N	Fire Alarm / Smoke Alarm / Burglar Alarm	
N	Sprinkler	
Y	Windstorm Loss Reduction	(\$4,057.00)
N	Building Code Effectiveness Grading Schedule	
N	Other	

Insurer May Insert Any Other Property Coverage Below		
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)	Limit of Insurance	Loss Settlement Basis: (i.e.: Replacement Cost, Actual Cash Value, Stated Value, etc.)

Personal Liability Coverage
Limit of Insurance \$ <u>100,000.00</u>

Medical Payments to Others Coverage
Limit of Insurance \$ <u>2,000.00</u>

Liability - Additional/Other Coverages			
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Amount of insurance is an additional amount of coverage or is included within the policy limit.	
		Included	Additional
Y	Claim Expenses		
Y	First Aid Expenses		
Y	Damage To Property Of Others	up to \$500	N/A
Y	Loss Assessment	\$1,000	\$1,000

Insurer May Insert Any Other Liability Coverage Below		
(Items below marked Y (Yes) indicate coverage IS included, those marked N (No) indicate coverage is NOT included)		Limit of Insurance
Y	Fungi, Wet or Dry Rot, or Bacteria - Liability	\$50,000

Notice of Premium Discounts for Hurricane Loss Mitigation

*** Important Information *** About Your Personal Residential Insurance Policy

Policy ID: HPH095721

2/1/2017

Dear Homeowner,

Hurricanes have caused tens of billions of dollars in insured damages and predictions of more catastrophic hurricanes making landfall in Florida have triggered increases in insurance premiums to cover potential future losses. Enclosed is information regarding wind loss mitigation that will make your home more resistant to wind and help protect your family during a catastrophic event. In addition to reducing your hurricane wind premium by installing mitigation features, you may also reduce the likelihood of out of pocket expenses, such as your hurricane deductible, you may otherwise incur after a catastrophic event.

What factors are considered in establishing my premium?

Your location: The closer you are to the coast, the more vulnerable you are to damage caused by hurricane winds and this makes your hurricane-wind premium higher than similar homes in other areas of the state.

Your policy: Your insurance policy is divided into two premiums: one for damage caused by hurricane force winds (hurricane-wind) and one for all other damage (all perils), such as fire.

Your deductible: Under the law, you are allowed to choose a \$500, 2%, 5% or 10% deductible depending on the actual value of your home. The larger your deductible, the lower your hurricane-wind premium, however, if you select a higher deductible your out-of-pocket expenses in the event of a hurricane claim will be higher.

Improvements to your home: The state requires insurance companies to offer discounts for protecting your home against damage caused by hurricane winds. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your hurricane -wind premium. Discounts apply only to the hurricane-wind portion of your policy.

The costs of the improvement projects vary. Homeowners should contact a licensed contractor for an estimate. You can find a Certified Contractor in your area by visiting the Florida Department of Business and Professional Regulation online at www.myfloridalicense.com.

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts. Instead, when one discount is applied, other discounts are reduced until you reach your maximum discount of 89%.

How can I take advantage of the discounts?

Homeowners will need a qualified inspector such as a general, building, or residential contractor licensed under Section 489.111, Florida Statutes, or a professional engineer licensed under Section 471.015, Florida Statutes, who has passed the appropriate equivalency test of the Building Code training program as required by Section 553.841, Florida Statutes, or a professional architect licensed under Section 481.213, Florida Statutes, or a building code inspector certified under Section 468.607, to inspect the home to identify potential mitigation measures and verify improvements. For a listing of individuals and/or inspection companies meeting these qualifications contact your insurance agent or insurance company.

The following is an example of how much you can reduce your insurance premium if you have mitigating features on your home. The example is based on your hurricane-wind premium of \$11,915.00 which is part of your total annual premium of \$12,054.00. Remember, the discounts shown only apply to the hurricane-wind portion of the premium and the discounts for the construction techniques and features listed above are not cumulative.

*** Wind mitigation credits apply to that portion of your premium that covers the peril of wind, whether or not a hurricane exists.**

Homes built prior to the 2001 building code

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
<u>Roof Covering (i.e., shingles or tiles)</u> <ul style="list-style-type: none"> Meets the Florida Building Code Reinforced Concrete Roof Deck^ <p>^If this feature is installed on your home you most likely will not qualify for any other discount.</p>	11% 82%	\$1,311 \$9,770
<u>How Your Roof is Attached</u> <ul style="list-style-type: none"> Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood 	0% 9% 9%	\$0 \$1,072 \$1,072
<u>Roof-to-Wall Connection</u> <ul style="list-style-type: none"> Using "Toe Nails" - defined as 3 nails are driven at an angle through the rafter and into the top roof. Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud Using Single Wraps - a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss 	0% 18% 20% 21%	\$0 \$2,145 \$2,383 \$2,502
<u>Roof Shape</u> <ul style="list-style-type: none"> Hip Roof -defined as your roof sloping down to meet all your outside walls (like a pyramid.) Other 	28% 0%	\$3,336 \$0

Description of Feature	Estimated* Premium Discount Percent	Estimated* Annual Premium (\$) is Reduced by:
<u>Secondary Water Resistance (SWR)</u> <ul style="list-style-type: none"> SWR - defined as a layer of protection between the shingles and the plywood underneath that protects the building if the shingles blow off. No SWR 	<p>7%</p> <p>0%</p>	<p>\$834</p> <p>\$0</p>
<u>Shutters</u> <ul style="list-style-type: none"> None Intermediate Type -shutters that are strong enough to meet half the old Miami-Dade building code standards Hurricane Protection Type -- shutters that are strong enough to meet the current Miami- Dade building code 	<p>0%</p> <p>29%</p> <p>39%</p>	<p>\$0</p> <p>\$3,455</p> <p>\$4,647</p>

* Estimate is based on information currently on file and the actual amount may vary.

Alternately and regardless of the year of construction if you meet the minimum fixtures and constructions requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible from 2% to \$500

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, please contact your agent or the company at (305)969-0060



HERITAGETM
I n s u r a n c e

Pillars of Strength and Character.

Heritage Property & Casualty Insurance Company

Select Homeowners Policy

Heritage Property & Casualty Insurance Company
2600 McCormick Dr.
Suite 300
Clearwater, FL 33759
Claims/Customer Service: 1-855-620-9978

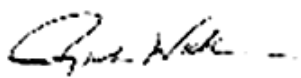
NOTICE!

This policy does not cover Flood Loss.

Please call your agent to learn more about
this important coverage.

POLICY PROVISION: This Policy Jacket with the Policy Declarations, Policy Form and Endorsements issued to form a part thereof, completes the policy as numbered on the Declarations Page. Whenever your policy is modified, you will receive a dated revision of the Policy Declarations.

IN WITNESS WHEREOF: In consideration of your paid premium, Heritage Property & Casualty Insurance Company is proud to extend to you the coverage offered by this insurance contract.



Richard A. Widdicombe
President, Heritage Property & Casualty Insurance Company

Heritage Property & Casualty Insurance Company

Homeowners
HPC CE 07 12**OPTION TO EXCLUDE CONTENTS COVERAGE**

Florida legislation has created a provision that gives you the option to exclude Contents Coverage (Coverage C) from your residential property policy. This exclusion is valid for the term of your policy and for each renewal, unless you elect otherwise. If you wish to exclude Contents Coverage from your policy, you must handwrite the following statement and sign below.

"I do not want the insurance on my home to pay for the costs to repair or replace any contents that are damaged. I will pay those costs. My insurance will not."

Please handwrite the entire statement here:

All named insureds on your policy must also sign acknowledging the exclusion of this coverage. A copy of this statement will be provided to you for your records.

Please complete the information below.

Insured Name: _____ Insured Name: _____

Policy/Binder #: _____

Property Address: _____

City: _____, FL Zip Code: _____

X _____	_____	_____
INSURED SIGNATURE	INSURED NAME	DATE
X _____	_____	_____
INSURED SIGNATURE	INSURED NAME	DATE
X _____	_____	_____
INSURED SIGNATURE	INSURED NAME	DATE



Your Privacy Is Our Concern

We do not disclose any non-public personal information about our customers or former customers, except as permitted by law or if requested by a government agency.

When you apply to Heritage Property & Casualty Insurance Company (Heritage Insurance) for any type of insurance, you disclose information about yourself to us. The collection, use and disclosure of such information is regulated by law. Heritage Insurance, its agents, affiliates and subsidiaries maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information.

Heritage Insurance obtains most of our information directly from you. The application you complete, as well as any additional information you provide, generally gives us most of the information we need to know. We may use information about you from your other transactions with us, our affiliates, or others.

Depending on the nature of your insurance transaction, we may need additional information about you or other individuals proposed for coverage. For property coverages, we may send someone to inspect your property and verify information about its value and condition. A photo of any property to be insured might be taken. We may review insurance claims information and other loss information reports, and we may also obtain medical or financial information to adjust some claims.

We may obtain the additional information we need from third parties, such as other insurance companies, government agencies, information clearinghouses, courts and other public records. We may receive consumer credit information from a consumer-reporting agency. The information that we collect about you is used in evaluating your insurance coverage, rates, servicing your policy, and settling claims.

Heritage Insurance does not share any non-public information about you unless permitted by law or if requested by a government agency. If you have questions about what information we may have on file and/or our privacy policy you may contact us at the address below.

Heritage Property & Casualty Insurance Company
Attention: Compliance Department
2600 McCormick Dr., Ste. 300
Clearwater, FL 33759

OUTLINE OF YOUR HOMEOWNERS POLICY

The following outline is for informational purposes only. Florida law prohibits this outline from changing any of the provisions of the insurance contract which is the subject of this outline.

Any endorsement regarding changes in types of coverage, exclusions, limitations, reductions, deductibles, coinsurance, renewal provisions, cancellation provisions, surcharges, or credits will be sent separately.

Please read your Homeowners policy carefully for complete descriptions and details. Your Agent will assist you with any questions about this policy.

SECTION I - PROPERTY COVERAGES

At your option, you may choose to remove Windstorm Coverage and/or Coverage C. You may also choose to reduce or remove Coverage B.

Coverage A - Dwelling

Protects against covered loss to your dwelling and structures attached to your dwelling.

Coverage B - Other Structures

Protects against covered loss to structures on your residence premises not physically attached to the dwelling.

Coverage C - Personal Property

Protects against covered loss to your personal property such as clothing and furniture. Special limits apply to some types of personal property.

Coverage D - Loss Of Use

Provides for the additional living expenses you incur while you are temporarily unable to live at your home because of a covered loss.

Pre-event evacuation expenses are not covered under this policy.

Please review your policy for a complete list of items that have special limits or are excluded.

ADDITIONAL COVERAGES

These additional coverages include limitations and may not completely protect you against loss.

- Debris Removal
- Reasonable Repairs
- Trees, Shrubs And Other Plants
- Fire Department Service Charge
- Property Removed
- Credit Card, Fund Transfer Card, Forgery and

Counterfeit Money

- Loss Assessment
- Collapse
- Glass Or Safety Glazing Material
- Landlord's Furnishings
- Fungi, Wet or Dry Rot, Yeast or Bacteria
- Ordinance or Law

PERILS INSURED AGAINST

Coverage A - Dwelling and Coverage B - Other Structures

This policy insures against risk of direct loss to covered property under Coverages A and B, unless not covered or excluded from coverage as described elsewhere in the policy.

Coverage C - Personal Property

This policy insures under Coverage C against sudden and accidental direct physical losses except as limited or excluded by your policy, caused by:

- Fire or lightning
- Theft (on premises only)
- Windstorm or hail
- Riot or civil commotion
- Explosion
- Weight of ice, snow or sleet
- Falling objects
- Accidental discharge or overflow of water
- Aircraft
- Sudden & accidental tearing apart or bulging
- Vehicles
- Volcanic eruption
- Vandalism or malicious mischief
- Smoke
- Catastrophic ground cover collapse
- Freezing of plumbing or household appliances
- Sudden and accidental damage from artificially generated electricity

There are some perils not covered under Coverage A or B. Additionally, there are limitations to the perils insured against.

PROPERTY EXCLUSIONS

This policy does not provide for losses resulting in any manner from:

- Earth Movement And Settlement
- Sinkhole Loss
- Flood and other Water Damage
- Neglect
- Inherent Vice, Decay, Defect and Mechanical Breakdown
- Intentional Loss
- War or Nuclear Hazard
- Off Premises Power Failure
- Theft away from the residence premises
- Repeated Seepage or Leakage of Water or Steam

There are other exclusions. Please refer to your policy for complete details regarding exclusions.

OTHER LIMITATIONS

Notice of Claim to Us – A claim, supplemental claim, or reopened claim for loss or damage caused by the peril of windstorm or hurricane is barred unless notice of the claim, supplemental claim, or reopened claim is given to us in accordance with the terms of the policy within 3 years after the hurricane first makes landfall or the windstorm caused the covered damage.

Deductibles – Your policy includes a calendar year hurricane deductible and an all other perils deductible, selected by you. This is the amount of the loss you must incur before this policy pays.

Sinkhole Loss – This policy **does not protect you against loss due to sinkhole activity**, unless Sinkhole Loss Coverage is shown in your Declarations. Be sure to contact your agent to obtain this important coverage.

Flood - This policy **does not protect you against** loss due to **flood or wave wash**. Flood insurance is available through the Federal Government.

Windstorm - In some areas of the state, generally coastal areas; windstorm and hail coverage, including hurricane coverage, **may not be provided** in your policy. The exclusion of windstorm coverage is indicated by form **HO 04 94** on your Declarations. Be sure to contact your agent to obtain this important coverage if it has been excluded from your policy.

Loss Settlement – Buildings at replacement cost. However, if at the time of loss, the amount of insurance you have purchased for the insured building is less than 80% of the value of the building, we will not pay you replacement value. Instead we will pay the greater of either actual cash value of that part of the building damaged or a proportion of the cost to repair or replace that part of the damaged building which the total amount of insurance in your policy on the building bears to 80% of the replacement cost of the building.

Vacant Property - If a loss occurs and the dwelling has been vacant for 30 consecutive days prior to the date of loss, there is no coverage for vandalism, sprinkler leakage, glass breakage, water damage, theft or attempted theft, even if they are a covered cause of loss.

SECTION II - LIABILITY COVERAGE

Coverage E - Personal Liability

Provides coverage for bodily injury or property damage you or a person insured under your policy is legally obligated to pay.

Coverage F - Medical Payments To Others

Provides coverage for reasonable and necessary

medical expenses if a guest is injured on your premises or, under certain circumstances, off the insured premises.

Some liabilities and medical expenses are not covered. For example, there is no coverage for bodily injury or property damage arising from animals, watercraft, radon, pollutants, ingestion or inhalation of lead in any form or substance, and under certain conditions, home day care operations.

NONRENEWAL AND CANCELLATION PROVISIONS

All cancellations are granted a pro-rata return of premium.

Your Right To Cancel - You may cancel the policy at any time, for any reason, by giving us advance written notice of the future cancellation effective date.

Our Right To Cancel – If the cancellation is due to nonpayment or premium, we will give you at least 10 days advance written notice. For all other cancellations, the following applies.

When the policy has been in effect for 90 days or less and there has been a material misstatement, misrepresentation, or failure to comply with underwriting requirements, we may cancel immediately when you policy has not been with us for at least a five year period immediately prior to the date of our written notice.

If your policy is cancelled for other than above, we may cancel by giving you at least 120 days written notice before the date cancellation takes effect when your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice; or at least 20 days before the date the cancellation takes effect in all other cases.

If your policy has been in effect over 90 days, we may cancel your policy for only a limited number of reasons.

We will then give you at least 100 days advance written notice. For any cancellation that would be effective between June 1 and November 30, we will mail written notice at least 100 days or by June 1, whichever is earlier, before the cancellation becomes effective; unless your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice, then we shall give at least 120 days written notice before the date cancellation takes effect.

Nonrenewal - If we do not intend to renew your policy, we will mail written notice to you. We will do so at least 100 days before the expiration date of the policy. For any nonrenewal that would be effective between June 1 and November 30, we will mail the notice by at least

100 days or by June 1, whichever is earlier; unless your residential structure has been insured by us for at least a 5 year period immediately prior to the date of the written notice for nonrenewal, then we shall give at least 120 days written notice before the date nonrenewal takes effect.

Renewal - The renewal premium payment must be received no later than the renewal date or the policy will terminate.

PREMIUM CREDITS

The following are brief descriptions of the premium credits available on your homeowner's policy. Your policy Declarations page will show which of these credits, if any, apply to your policy.

Protective Devices - If your home has a qualified central station burglar alarm, central station fire alarm or automatic fire sprinkler system, you may be eligible for premium credits.

Deductible Credits - Deductible options greater than the calendar year hurricane deductible of 2% and other perils deductible of \$1,000 are available at a premium credit. Deductibles less than the standard deductibles may be available which will result in premium increase.

Florida Building Code - Housing features such as roof covering, roof shape, roof deck attachments, secondary water resistance, roof to wall connection and **opening protection** (qualifying shutters or other protective devices) may qualify for premium credit. Contact your agent for more information.

Superior Construction - Certain homes of fire resistive or wind resistive construction are eligible for a premium credit.

OPTIONAL COVERAGES AVAILABLE

- Sinkhole Loss Coverage
- Increased Limits for "Fungi," Wet or Dry Rot, Yeast or Bacteria Coverage
- Personal Property Replacement Cost
- Loss Assessment Coverage - Increased Limits
- Increased Limits for Ordinance or Law Coverage
- Permitted Incidental Occupancies
- Other Structures - Increased Limits & Rented to Others
- Coverage E – Personal Liability Increased Limits

PREMIUM SURCHARGES

Seasonal Occupancy Surcharge – Dwellings with continuous un-occupancy of 6 consecutive months during any one calendar year period are subject to a surcharge.

Other Surcharges – Other surcharges may be levied in accordance with statute or Department of Financial Services rule. These surcharges will be disclosed on your Declarations page when they become applicable.

Heritage Property & Casualty Insurance Company

Homeowners
HPC DO 07 12

DEDUCTIBLE OPTIONS NOTICE

Heritage Property & Casualty Insurance Company ("Heritage") offers standard deductibles of \$1,000 for All Other Perils and 2% for Hurricanes.

If your policy does not exclude coverage for the peril of Windstorm Or Hail, there are various combinations of All Other Peril and Hurricane deductibles available to you.

A mandatory Sinkhole deductible may apply in some policies and will be shown in your Declarations if applicable.

Your current selected deductibles will continue unless you elect to make a change. Not all deductible options may be available due to the type of policy and its dwelling or contents coverage amount.

Heritage offers the opportunity for you to:

1. Buy lower deductibles for an additional premium; or
2. Select higher deductibles for a premium credit.

All Other Peril deductible options are:

1. \$500;
2. \$1,000; or
3. \$2,500.

Hurricane deductible options are:

1. \$500;
2. 2%;
3. 5%; or
4. 10%.

Note: If you have had a hurricane loss under this policy or under one issued by a member of our company group during the calendar year, a lower selected hurricane deductible will not take effect until Jan. 1 of the following calendar year.

If you select either a 5% or 10% Hurricane deductible, we recommend you check with your mortgage company to ensure compliance with the terms of your mortgage obligations.

Please contact your agent if you have any questions or to change your deductible.

Heritage Property & Casualty Insurance Company

Homeowners
HPC CGCC 07 12

CATASTROPHIC GROUND COVER COLLAPSE NOTICE

YOUR POLICY PROVIDES COVERAGE FOR A CATASTROPHIC GROUND COVER COLLAPSE THAT RESULTS IN THE PROPERTY BEING CONDEMNED AND UNINHABITABLE. OTHERWISE, YOUR POLICY DOES NOT PROVIDE COVERAGE FOR SINKHOLE LOSSES. YOU MAY PURCHASE ADDITIONAL COVERAGE FOR SINKHOLE LOSSES FOR AN ADDITIONAL PREMIUM.

HOMEOWNERS
HO 04 96 04 91

**NO SECTION II – LIABILITY COVERAGES FOR
HOME DAY CARE BUSINESS
LIMITED SECTION I – PROPERTY COVERAGES FOR
HOME DAY CARE BUSINESS**

If an "insured" regularly provides home day care services to a person or persons other than "insureds" and receives monetary or other compensation for such services, that enterprise is a "business." Mutual exchange of home day care services, however, is not considered compensation. The rendering of home day care services by an "insured" to a relative of an "insured" is not considered a "business."

Therefore, with respect to a home day care enterprise which is considered to be a "business," this policy:

1. Does not provide Section II – Liability Coverages because a "business" of an "insured" is excluded under exclusion **1.b.** of Section II – Exclusions;
2. Does not provide Section I – Coverage B coverage where other structures are used in whole or in part for "business";
3. Limits coverage for property used on the "residence premises" for the home day care enterprise to \$2,500, because Coverage C – Special Limits of Liability – item **8.** imposes that limit on "business" property on the "residence premises." (Item **8.** corresponds to item **5.** in Form **HO 00 08.**);
4. Limits coverage for property used away from the "residence premises" for the home day care enterprise to \$250, because Coverage C – Special Limits of Liability – item **9.** imposes that limit on "business" property away from the "residence premises." Special Limit of Liability item **9.** does not apply to adaptable electronic apparatus as described in Special Limit of Liability items **10.** and **11.** (Items **9.**, **10.** and **11.** correspond to items **6.**, **7.** and **8.** respectively in Form **HO 00 08.**)

THIS ENDORSEMENT DOES **NOT** CONSTITUTE A REDUCTION OF COVERAGE.

Heritage Property & Casualty Insurance Company

Homeowners
HPC OLN 07 12

IMPORTANT NOTICE TO
POLICYHOLDERS

**Important Information Regarding
Ordinance Or Law Coverage**

All Florida communities have laws or building codes that affect the reconstruction of damaged buildings.

Ordinance Or Law Coverage is an additional coverage that applies to the increased construction cost resulting from enforcement of building codes when repairing or replacing your Dwelling (Coverage A) after a covered loss.

The current limit of liability is shown on your policy declarations. If you have not chosen the 50% coverage level, your policy will be issued with 25% of this additional coverage.

If you are interested in adjusting the amount of this additional coverage, please contact your agent at the address or telephone number on your policy declarations.

If you don't respond to this notice, the coverage limit for Ordinance Or Law will remain as shown on your declarations.

☐ I select 25% Ordinance Or Law Coverage and reject 50% Ordinance Or Law.

☐ I select 50% Ordinance Or Law Coverage and reject 25% Ordinance Or Law.

Named Insured Signature

Date

Named Insured / Print

Policy Number

Property Street Address

City, State and Zip code

If you decide not to make a change to your Ordinance or Law Coverage, your previous selection shown on your declarations page applies.

Heritage Property & Casualty Insurance Company

HPC SLC-R 07 12

SINKHOLE LOSS COVERAGE SELECTION / REJECTION FORM**OPTION I**

☐ I want to **SELECT** Sinkhole Loss Coverage. **A Mandatory 10% Sinkhole Loss Deductible applies.**

My **signature below** indicates my understanding that prior to adding the coverage for loss due to sinkhole, I must obtain a structural inspection of the property covered by this insurance policy to document existing damage, evaluate the structural integrity of the dwelling, and verify that there is no current or proximate sinkhole activity that has not been disclosed. Coverage will be endorsed to the policy upon underwriting approval based upon the inspection. Please select an Inspection Option below:

☐ I will use Heritage Property & Casualty Insurance Company's "Approved" inspection service.

Upon request, Heritage Property & Casualty Insurance Company will provide a list of "Approved" inspection services designated by us as competent to perform the evaluation, and whose report format meets our informational requirements. You must contract directly with the approved inspection service, and pay an arranged fee we have negotiated with the inspection service. Both parties will receive a copy of the inspection. The fee will not be refundable no matter how the underwriting decision is reached.

☐ I want to use my own inspection service.

An inspection from an inspection service, not designated by us as "Approved", may be submitted for consideration in meeting this requirement. Such an inspection must have been completed by a professional engineer, professional geologist, a geotechnical engineer, or other individual or entity recognized by us as possessing the necessary qualifications to properly complete the inspection, and must meet all requirements outlined above with regard to content and format. You are responsible for all costs associated with this inspection.

OPTION II

☐ I want to **REJECT** Sinkhole Loss Coverage (For policies with Sinkhole Loss Coverage).

By rejecting Sinkhole Loss Coverage, I agree to the following:

My signature below indicates my understanding to when I reject sinkhole loss coverage that my policy will not include coverage for Sinkhole Loss(es).

If I sustain a "Sinkhole Loss", I will have to pay for my losses by some other means than this insurance policy.

I also understand this rejection of Sinkhole Loss Coverage shall apply to future renewals of my policy.

However, my policy still provides coverage for a Catastrophic Ground Cover Collapse that results in the property being condemned and uninhabitable.

APPLICABLE TO OPTIONS I AND II: My **signature below** indicates my understanding that a request to **SELECT** Sinkhole Loss Coverage must be received by us at least 90 days in advance of the policy's renewal date.

Named Insured's Signature

Date

Policy Number

Named Insured's Signature

Date

Property Street Address

Unit Number

City

County

FL

Zip Code

Heritage Property & Casualty Insurance Company

Homeowners
HPC 24 07 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALENDAR YEAR HURRICANE DEDUCTIBLE WITH SUPPLEMENTAL REPORTING REQUIREMENT – FLORIDA

A. Loss By Windstorm During A Hurricane

With respect to Paragraphs C. and D., coverage for loss caused by the peril of windstorm during a hurricane which occurs anywhere in the state of Florida, includes loss to:

1. The inside of a building; or
2. The property we cover contained in a building caused by:
 - a. Rain;
 - b. Snow;
 - c. Sleet;
 - d. Hail;
 - e. Sand; or
 - f. Dust;

If the direct force of the windstorm first damages the building, causing an opening through which the rain, snow, sleet, hail, sand or dust enters and causes damage.

B. Hurricane Described

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.
2. A hurricane occurrence:
 - a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service; and
 - b. Continues in effect for as long as hurricane conditions exist anywhere in the State of Florida; and
 - c. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

C. Calendar Year Hurricane Deductible Described

A hurricane deductible issued by us or another insurer in our insurer group or under a policy assumed from Citizens Property Insurance Corporation under a Takeout Agreement:

1. Can be exhausted only once during each calendar year; and
2. Applies to loss to Covered Property caused by one or more hurricanes during each calendar year.

The dollar amount of the calendar year hurricane deductible is shown on your Declarations.

A minimum deductible of \$500 applies.

D. Application of Calendar Year Hurricane Deductible

1. In the event of the first windstorm loss caused by a single hurricane occurrence during a calendar year, we will pay:

Only that part of the total of all loss payable under Section I – Property Coverages that exceeds the calendar year hurricane deductible stated in your Declarations.

2. With respect to a windstorm loss caused by the second, and each subsequent, hurricane occurrence during the same calendar year;
 - a. We will pay only that part of the total of all loss payable under Section I - Property Coverages that exceeds the greater of:
 - (1) The remaining dollar amount of the calendar year hurricane deductible that is in effect at the time of the loss; or
 - (2) The deductible that applies to fire that is in effect at the time of the loss.
 - b. The remaining dollar amount of the calendar year hurricane deductible is determined by:

Heritage Property & Casualty Insurance Company

Homeowners
HPC 24 07 12

- (1) Subtracting the actual deductible(s) applied to all previous windstorm losses caused by hurricanes during the calendar year;
 - (2) From the calendar year hurricane deductible that is in effect at the time of the loss.
3. With respect to any one loss caused by a hurricane occurrence, if:
- a. Covered property is insured under more than one policy:
Issued by us or another insurer in our insurer group or under a policy assumed from Citizens Property Insurance Corporation under a Takeout Agreement;
 - b. At the time of loss, different hurricane deductibles apply to the same property under such policies;

Then the hurricane deductible applicable under all such policies, used to determine the total of all loss payable under Section I - Property Coverages shall be:

The highest amount stated in any one of the policies that is in effect at the time of the loss.

4. When:
- a. A renewal policy is issued by us or an insurer in our insurer group; or
 - b. We issue a policy that replaces one issued by us or an insurer in our insurer group, or a policy has been assumed from Citizens Property Insurance Corporation under a Takeout Agreement; and
 - c. The renewal or replacement policy takes effect on a date other than January 1st of a calendar year, the following provisions apply:
 - (1) If the renewal or replacement policy:
 - (a) Provides a lower hurricane deductible than the prior policy; and
 - (b) You incurred loss from a hurricane under the prior policy in that same calendar year;

The lower hurricane deductible will not take effect until January 1st of the following calendar year.

- (2) If the renewal or replacement policy:
 - (a) Provides a lower hurricane deductible than the prior policy; and
 - (b) You have not incurred a hurricane loss in that same calendar year;

The lower hurricane deductible will take effect on the effective date of the renewal or replacement policy.
- (3) If the renewal or replacement policy provides a higher hurricane deductible than the prior policy, the higher hurricane deductible:
 - (a) Will take effect on the effective date of the renewal or replacement policy; and
 - (b) Shall be used to calculate the remaining dollar amount of the hurricane deductible.

5. We require that you promptly report any windstorm loss caused by a hurricane occurrence that is below the hurricane deductible so that we may consider the amount of such loss when adjusting claims for subsequent hurricane occurrences that occur during the calendar year.

E. Loss By Windstorm That Is Not A Declared Hurricane

Refer to the policy declarations for the deductible that applies to windstorm loss if the circumstances of the loss described above do not apply.

All other provisions of this policy apply.

OPTION TO EXCLUDE WINDSTORM COVERAGE

Florida state legislation has created a provision that gives you the option to exclude Windstorm coverage from your policy. This exclusion will apply to the entire annual term of your policy and to each renewal thereafter unless you instruct us otherwise. If you choose to add windstorm to your policy in the future, you may only do so at renewal. Mid-term requests to add windstorm to your policy will not be honored.

If you wish to exclude Windstorm coverage from your policy, you must handwrite the following statement and sign below.

"I do not want the insurance on my (home / condominium unit) to pay for damage from windstorms. I will pay those costs. My insurance will not."

Please handwrite the entire statement here:

All named insureds on your policy must also sign acknowledging the exclusion of this coverage. A copy of this statement will be provided to you for your records.

Please complete the information below.

Insured Name(s): _____

Policy/Binder #: _____

Property Address: _____

City: _____, FL Zip Code: _____

X _____	_____	_____
NAMED INSURED SIGNATURE	PRINT NAME	DATE
X _____	_____	_____
NAMED INSURED SIGNATURE	PRINT NAME	DATE
X _____	_____	_____
NAMED INSURED SIGNATURE	PRINT NAME	DATE

If your property is subject to a mortgage or lien, you must also obtain a written statement from your mortgageholder or lienholder indicating that they approve of your election to exclude Windstorm coverage.

Instructions to Mortgageholder/Lienholder:

Please provide a statement below indicating that you approve of the policyholder's election to exclude windstorm coverage.

X _____ DATE _____
SIGNATURE OF MORTGAGEHOLDER/LIENHOLDER REPRESENTATIVE

If your policy is written in the name of a corporation, trust, LLC, etc., you must provide, on the entity's letterhead, the following statement, which must be signed and dated by their authorized representative:

"(Name of entity) does not want the insurance on its (type of structure) to pay for damage from windstorms. (Name of entity) will be responsible for these costs. (Name of entity)'s insurance will not."

Heritage Property & Casualty Insurance Company

Homeowners
HPC 23 70 07 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WINDSTORM EXTERIOR PAINT OR WATERPROOFING
EXCLUSION – SEACOAST – FLORIDA**

A. Exclusion

Coverage for any building or structure under this policy excludes loss caused by:

1. Windstorm or hail; or
2. Windstorm during a hurricane;

solely to paint or waterproofing material applied to the exterior of the building or structure.

B. Hurricane Described

1. A hurricane means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service.

2. A hurricane occurrence:

- a. Begins at the time a hurricane watch or warning is issued for any part of Florida by the National Hurricane Center of the National Weather Service;
- b. Continues in effect for as long as hurricane conditions exist anywhere in the State of Florida; and
- c. Ends 72 hours following the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the National Hurricane Center of the National Weather Service.

All other provisions of this policy apply.

Heritage Property & Casualty Insurance Company

Homeowners
HPC 19 07 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM PROTECTIVE DEVICES

For the Premium charged:

- A. We acknowledge the installation of storm shutters or other windstorm protective devices, reported by you to us, that protect all exterior wall and roof openings, including doors, windows, skylights and vents, other than soffit and roof ridge vents, that are part of:
1. All buildings owned by you and located on, or at the location of, the "residence premises"; or
 2. A covered condominium or cooperative unit; or
 3. A one family dwelling or an apartment unit in a two or more family building in which you reside as a tenant and which contains covered personal property.
- B. You agree to:
1. Maintain each storm shutter or other windstorm protective device in working order;
 2. Close and secure all storm shutters or other windstorm protective devices when necessary or arrange for others to do so in your absence; and
 3. Let us know promptly of:
 - a. The alteration, disablement, replacement, or removal of, or significant damage to, any storm shutter or other windstorm protective device; or
 - b. Any alterations or additions to existing buildings owned by you or the construction of any new buildings owned by you.

While your failure to comply with any of the conditions in B. above will not result in denial of a claim for loss caused by the peril of Windstorm or Hail, we reserve the right to discontinue the benefits of this endorsement, including any related premium credit, in the event of such a failure.

All other provisions of the policy apply.



**PLATINUM PREFERRED SAVINGS PROGRAM
IMPORTANT NOTICE**

You have elected to add the Platinum Preferred Savings Program endorsement to your Heritage Property & Casualty Insurance Company residential insurance policy. This endorsement grants us, in the event of a covered loss other than a hurricane loss or sinkhole loss, the option to select a vendor pre-qualified by us to perform repairs to your property covered under Coverage A – Dwelling in your policy or to perform services necessary to protect the property from further damage. In return, your deductible obligation at loss settlement will be reduced as provided in the endorsement. The endorsement changes certain coverages, conditions regarding loss settlement, and dispute resolution and loss payment provisions under the policy. Please note that as part of our effort to provide prompt and cost-effective repairs or services, Heritage Property & Casualty Insurance Company may be affiliated with or have contractual relationships with vendors that have been pre-qualified to perform repairs or services.

This document provides only a general summary of the terms of the endorsement. Only the policy and its endorsements provide a complete description of the coverages and their terms and limitations. Please read them carefully.

Heritage Property & Casualty Insurance Company

Homeowners
HPCH03 PPS 08 13C

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLATINUM PREFERRED SAVINGS PROGRAM

THIS ENDORSEMENT ALLOWS US AT OUR OPTION TO SELECT A PRE-QUALIFIED VENDOR TO MAKE COVERED REPAIRS TO YOUR DWELLING OR OTHER STRUCTURES.

You agree that in the event of a covered loss to your covered dwelling or other structures on the "residence premises," other than a hurricane loss or sinkhole loss:

We at our option may select a vendor pre-qualified by us to repair your damaged property as provided by the policy, if we so elect.

A deductible credit equal to ten percent (10%) of your All Other Perils deductible specified in the Declarations will be applied to reduce your deductible obligation at loss settlement as otherwise determined under the policy.

This credit does not reduce the applicable deductible under the policy. The credit will apply only when the amount of a covered loss exceeds the applicable deductible. You will be responsible for paying the amount of the deductible, less the deductible credit as applicable, to the vendor.

In addition, the following provisions of the policy and its endorsements where applicable, are changed:

SECTION I – PROPERTY COVERAGES

ADDITIONAL COVERAGES

2. Reasonable Repairs. is deleted and replaced by the following:

2. Reasonable Repairs. If a peril causing a loss and related damage are covered and repairs are necessary to protect covered property from further damage, you must notify us before authorizing or commencing repairs so we, at our option, may select a pre-qualified vendor to make the covered repairs. If you do not so notify us and allow us, at our option, to select the vendor for the covered repairs, our obligation for repairs made to protect the covered property from further damage is limited to the lesser of the following:

- a. The reasonable cost you incur for necessary repairs made solely to protect the property from further damage; or
- b. The amount we would have paid to a pre-qualified vendor selected by us for necessary repairs made solely to protect the covered property from further damage.

This coverage does not increase the limit of liability that applies to the covered property. This coverage does not relieve you of your duties, in case of a loss to covered property, as set forth in Section I – Condition 2.d.

SECTION I – CONDITIONS

Under **2. Duties After Loss.**, paragraph d. is deleted and replaced by the following:

- d. Protect the property from further damage. If repairs to the property are required, or if the services of a vendor are required to protect the property from further damage, you must:
 - (1) Notify us before authorizing or commencing the repairs or the services so we, at our option, may select a pre-qualified vendor to make covered repairs or perform the services; and
 - (2) Keep an accurate record of expenses associated with the repairs or the services.

If you do not notify us prior to authorizing or commencing the repairs or services and allow us at our option to select a pre-qualified vendor for the repairs or services, our obligation for the repairs or services is limited to the lesser of the following:

- (1) The reasonable cost you incur for necessary repairs or for services solely to protect covered property from further damage; or
- (2) The amount we would have paid to a pre-qualified vendor selected by us for necessary repairs or for services solely to protect covered property from further damage.

3. Loss Settlement. The following Paragraph 3.b.(7) is added:

- (7) If we elect to repair your covered dwelling or other structures:
 - a. We will disregard the loss settlement provisions 3.b.(1) – (4) above; and
 - b. We will make payment directly to the vendor designated by us, less the amount of your deductible as reduced by any applicable deductible credit. You will be responsible for paying to the vendor the amount of your deductible less any applicable deductible credit.

Heritage Property & Casualty Insurance Company

**Homeowners
HPCH03 PPS 08 13C**

6. Mediation or Appraisal. Paragraph 6. is deleted and replaced by the following:

6. Mediation or Appraisal

- a.** Mediation. If you and we are engaged in a dispute regarding a claim under this policy, either may demand a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The results of the mediation are binding only when both parties agree, in writing, on a settlement and you have not rescinded the settlement within 3 business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provide you.

We will pay the cost of conducting any mediation conference except when you fail to appear at a conference. That conference will then be rescheduled upon your payment of the costs of that rescheduled conference.

- b.** Appraisal. If you and we fail to agree on the scope of repairs necessary to restore your property to its pre-loss condition, or specifications of materials used in the restoration of your damaged property, either may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose a competent and impartial umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately prepare an itemized scope of repair including the specifications of the materials used to restore the property to pre-loss condition. If the appraisers submit a written report of an agreement to us, we will select and authorize a pre-qualified vendor to complete the repairs in accordance with the agreement. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will authorize our selected pre-qualified vendor to complete the repairs in accordance with the agreement.

Each party will:

- (1) Pay its own appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

9. Our Option. Paragraph 9. is deleted and replaced by the following:

9. Our Option.

- a.** If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property; or
- b.** If your policy is endorsed with this endorsement, we may repair or replace any part of the damaged dwelling and other structures property with like property.

Heritage Property & Casualty Insurance Company**HPC 09 IDT 12 13****IDENTITY THEFT EXPENSE AND RESOLUTION SERVICES COVERAGE**

For an additional premium, the following Additional Coverage is added under Section I.

IDENTITY THEFT EXPENSE AND RESOLUTION SERVICES

We will pay up to \$25,000 for expenses incurred by an insured as the direct result of any one identity theft discovered during the policy period. Additionally, you will have access to resolution services from a consumer fraud specialist who will assist you in the process of restoring your identity.

Any act or series of acts committed by anyone person or group of persons acting in concert or in which anyone person or group of persons is concerned or implicated is considered to be one identity theft, even if a series of acts continues into a subsequent policy period.

DEFINITIONS

With respect to the provisions of this endorsement only, the following definitions are added:

"Expenses" means:

1. Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have required that such affidavits be notarized.
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
3. Lost wages as a result of time taken off from work to meet with, or talk to, law enforcement agencies, credit agencies and/or legal counsel, or to complete fraud affidavits, or due to wrongful incarceration arising solely from

someone else having committed a crime in the insured's name, up to a maximum payment of \$1000 per week for a maximum period of five weeks. Lost wages shall not apply in the case of wrongful incarceration absent all charges being dropped or an acquittal of the insured.

4. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
5. Reasonable attorney fees incurred, with our prior consent, for:
 - a. Defense of lawsuits brought against the insured by merchants or their collection agencies,
 - b. The removal of any criminal or civil judgments wrongly entered against an insured, and
 - c. Challenging the accuracy or completeness of any information in a consumer credit report.
6. Charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual identity theft.
7. Costs for daycare and eldercare incurred by an insured solely as a direct result of any one identity theft.

IDENTITY THEFT SUPPORT SERVICES

1. Police Report: Provide assistance with filing a Police Report, if direction or discussion with law enforcement regarding the need

Heritage Property & Casualty Insurance Company**HPC 09 IDT 12 13**

and use of report is requested.

2. Document Recovery/Lost Wallet Assistance: If you lose your wallet or other sensitive documents we will help you protect yourself by guiding you in the recovery and /or reissuance of "breeder documents", such as driver's license, passport or Social Security card.
3. Fraud Alert Assistance: Provide assistance and guidance in placing fraud alerts on credit reports when appropriate and as provided by state and federal law.
4. Credit Freeze: Provide assistance and guidance in placing credit security freezes on credit reports when appropriate and as provide by state or federal laws.
5. Credit Report: Provide assistance in reviewing credit reports to determine accuracy of the files and detect potential areas of fraud.
6. Free Credit Report Reminder Service: Provide assistance and guidance to access free annual credit reports.
7. Postal Junk Mail Reduction Service: We will help you remove your name from some postal junk mail lists and information databases so you receive less postal junk mail.

"Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of an insured with the intent to commit, or to aid or abet, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

"Resolution services" provides a personal advocate assigned to victim who works one-

one, from first call to crisis resolution. It also includes ordering your credit report, alerting credit reporting agencies, providing credit and fraud monitoring, (credit monitoring and fraud monitoring are only available to insured's with online access to the internet and valid email addresses) and preparing necessary documentation and letters.

EXCLUSIONS

The following additional exclusions apply to this coverage.

We do not cover:

1. Loss arising out of business pursuits of any insured.
2. Expenses incurred due to any fraudulent, dishonest or criminal act by an insured or any person acting in concert with an insured, or by any authorized representative of an insured, whether acting alone or in collusion with others.
3. Loss other than expenses or resolution services.

DEDUCTIBLE

No deductible applies to identity theft coverage.

YOUR DUTIES AFTER LOSS

The following is added under Section I Conditions

2. Duties After Loss, paragraph g.:

- (6) Receipts, bills or other records that support your claim for expenses under identity theft coverage.

All other provisions of this policy apply